

North Country Telemedicine Project (NCTP)

Submitted by the Fort Drum Regional
Health Planning Organization (FDRHPO)
to the Federal Communications Commission

WC Docket No. 02-60

Submitted May 4, 2007

Contact Information:

Tom Carman
President/CEO
Samaritan Medical Center
830 Washington Street
Watertown, NY 13601
Phone: 315-785-4121

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FDRHPO

May 5, 2007

Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: FCC Pilot Program for Enhanced Access to Advanced Telecommunications and Information Services

To Whom It May Concern:

We the undersigned are pleased to present this application to fund an advanced telecommunications network for telemedicine in the North Country of New York State.

Our five hospitals represent communities in Jefferson, Lewis and St. Lawrence Counties in New York State. Additionally, we are the hospitals that serve the 30,000 personnel associated with the 10th Mountain Division and Fort Drum.

Though there are 250,000 persons living in this 5,000 square mile region, we suffer from a disproportionately high rate of low-income persons who lack access to consistent medical care. We face significant provider shortages based on geographic isolation, and lower than average reimbursement. As a result, more than 3000 patient cases leave the region each year, in order to seek treatment at urban facilities in Syracuse, Utica and elsewhere.

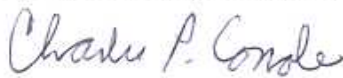
Building a telemedicine network in our region will increase access to specialty care. We will be able to treat high volume diseases such as cardiology, pulmonology and gastroenterology closer to where patients live, leading to improved consistency, lower cost, and better patient care outcomes.

We hope you will approve this application so that we can ensure quality care to our local service men and women and their neighbors throughout our local communities.

Sincerely,



Thomas Carman
Chairman,
Fort Drum Regional Health Planning Organization
President and CEO, Samaritan Medical Center



Charles Conole
President and CEO
EJ Noble Hospital



Benjamin Moore
CEO
River Hospital



Walter Becker
CEO
Carthage Area Hospital



Mark Rappaport
President and CEO
Lewis County General Hospital

830 Washington Street, Watertown, NY 13601

EXECUTIVE SUMMARY

The North Country Telemedicine Project (NCTP) is a regional initiative designed and developed by the Fort Drum Regional Health Planning Organization (FDRHPO). This initiative involves the creation of a telecommunications network that will connect 30 healthcare facilities operating in Jefferson, Lewis, and St. Lawrence Counties of New York, as well as four additional facilities in Syracuse and Utica. There are two primary elements to this project: development of the telecommunications network over which the telemedicine services will be provided; and development of the telemedicine services themselves.

Network participants—including rural and urban hospitals, clinics, Fort Drum, and Public Health departments—will gain access to the existing telecommunications infrastructure (the Open Access Telecommunications Network/OATN) managed by the Development Authority of the North Country (DANC). **(Please note that the FDRHPO has attached a Request for Waiver from Bidding as Appendix A.)**

Funding from this grant will enable the FDRHPO to connect 30 new facilities to the existing network. Telemedicine activities conducted by the 30 network participants will be transmitted via the fiber optic network (OATN) in order to increase access to specialty care for patients of Fort Drum and surrounding hospitals. The FDRHPO will oversee the design and implementation of the network, working closely with DANC, all 30 healthcare facilities, and multiple community partners to ensure a system that will produce immediate cost savings and healthcare access via telemedicine consults and a cohesive communications system. A staff member of FDRHPO will help to execute network-wide protocols for telemedicine determined by the participant organizations so that cross-communication among all providers is streamlined, efficient, and standardized.

Estimates for the network across Jefferson, Lewis, and St. Lawrence Counties in Northern New York indicate a population of more than 250,000 people. Access to care is currently hampered by rurality and low income for much of the region's population. Further, the hospitals face significant provider shortages in key specialty areas, including cardiology and psychiatry.

The Transmittal Letter on the previous page includes the signatures of the CEOs from the five rural hospitals participating in the North Country Telemedicine Project: Samaritan Medical Center, Carthage Area Hospital, EJ Noble Hospital, Lewis County General Hospital, and River Hospital. These facilities and their surrounding communities stand to benefit the most from the implementation of this network. The Chief Medical Officers of the four urban facilities involved in the project—such as St. Joseph's, SUNY Upstate Medical, and Crouse Hospital in Syracuse, and St. Elizabeth's/Mohawk Valley Heart Institute in Utica—have been given a copy of and reviewed the NCTP project model and business plan. As of the time of this application's submission, those individuals have given a verbal commitment in support of the NCTP.

APPLICANT ORGANIZATION

FCC Criteria #1: Identify the organization that will be legally and financially responsible for the conduct of activities supported by the fund

The Fort Drum Regional Health Planning Organization (FDRHPO) is the applicant for this grant, and is legally and financially responsible for its implementation.

A. Background

The creation of the Fort Drum Regional Health Planning Organization was announced by Congressman John McHugh (R-NY) and the two primary local partners, Samaritan Medical Center and Carthage Area Hospital on October 12, 2005. As one of very few military installations without its own hospital, Fort Drum relies on the local healthcare system for the medical needs of its soldiers and their families. The FDRHPO Board of Directors meets regularly to ensure that the needs of the current and expanding North Country/Fort Drum community are met. FDRHPO formalizes this relationship, brings in other key players in the healthcare system, and ensures collaboration among all parties.

B. Vision and Mission

The mission of the FDRHPO was developed to fulfill the tasks set before it and to reach the vision for North Country healthcare held by the leadership of the organization.

1. Vision Statement

Transform our current healthcare delivery system into a healthcare delivery model that partners Medical Treatment Facilities with Community providers to augment the Medical Treatment Facilities' primary care capability with specialty care and inpatient services.

2. Mission Statement

Through collaborative efforts, plan and evaluate to ensure quality healthcare services are provided to meet the needs of the Military Mission by enhancing our response to the military community while building a strong North Country health care system. To accomplish this we will utilize available, and develop necessary, resources working jointly and cooperatively.

3. Goals

- Identify the healthcare needs of the community surrounding and including Fort Drum, NY;
- Develop a plan to address and support the healthcare needs of the community;
- Foster the collection and exchange of information to promote health through coordinated, area-wide health services programs;
- Further such purposes in coordination with federal, state, and county governments, the military and local healthcare providers, agencies and consumers and in accordance with the mission of the U.S. military; and
- Solicit funds to further the stated objectives.

C. Organizational Structure

The Fort Drum Regional Health Planning Organization, Inc. is a not-for-profit corporation formed by New York Not-for-Profit Corporation Law. In accordance with Section 601(a) of the New York Not-for-Profit Law, the Corporation has no members. The property and business affairs of the Corporation are managed by a Board of Directors. This organizational structure is vital to the FDRHPO's ability to fulfill its mission and maintain broad representation for collaboration through the Board of Directors.

Board of Directors

The composition of the Board of Directors is as follows:

- Thomas H. Carman, President and CEO, Samaritan Medical Center – Chairman
- Walter Becker, Administrator, Carthage Area Hospital – Vice Chairman
- David W. Mance, Past Chairman, Samaritan Medical Center Board of Trustees
- Maria Roche, Carthage Area Hospital Board of Trustees
- Robert Kimball, MD, President, Samaritan Medical Center Medical Staff
- Robert Kasulke, MD, Carthage Area Hospital Medical Staff
- Janice Charles, Executive Director, North Country Children's Clinic (representing Northern New York Rural Healthcare Alliance)
- Mark Rappaport, President and CEO, Lewis County General Hospital
- Larry Tingley, Director of Community Services
- Gregory Brunelle, Director, Jefferson County Office of Emergency Management
- Kevin Mastellon, Fort Drum Regional Liaison Organization
- Lorraine Clement, Jefferson Physicians' Organization (At-Large Representative)
- Jean Bilow, Jefferson County Public Health Service (At-Large Representative)
- Richard Merchant, Northern Area Health Education Center (At-Large Representative)
- COL John Wempe, Commander, Fort Drum MEDDAC (Ex-Officio)
- MAJ Dale Vegter, Fort Drum MEDDAC (Ex-Officio)

NORTH COUNTRY COMMUNITY NEED

According to the Federal Health Professional Shortage Database, the majority of the area covered by this project faces either a shortage in physicians, or a low-income population that lacks access to primary care (which includes family practice, general practitioners, pediatrics, and obstetrics).

Median per capita income in the service area is well below the state median. According to the Central New York Health Systems Agency, nearly 50% of the population is considered to be high poverty, meaning they are at least 200% below the poverty line.

Jefferson County had the highest rate of growth of any county in New York between 1980 and 1990, primarily because of the development of Fort Drum. As of 2004, 54% of Jefferson County was covered by either Medicaid or Medicare. Further, the population has a heavy concentration of persons over 65, thus the number of discharges per 1,000 population is higher than the national average. Average length of stay for this 65+ population was 1.5 days longer than the average for all ages in New York State, and half a day or more longer than both the national and northeast averages for persons over 65.¹

All of the areas covered by the FDRHPO are Federally-designated health provider shortage areas. Even before Fort Drum expanded their presence in the North Country, the region suffered from mental health provider shortages dating back as far as 2003. Lewis County faces the greatest shortage, with less than one psychiatrist for the entire population.² Behavioral Health is a strong enough need that the Fort Drum Regional Health Planning Organization conducted a gap analysis looking at this specialty with more depth. The analysis identified a significant, ongoing shortage and called for an increase in providers to support the outpatient needs of the military base and the surrounding communities. While Public Health departments across Jefferson, Lewis, and St. Lawrence Counties provide mental health services, they are limited in terms of the types of patients they can see. That is, patients with commercial insurance may not be eligible for such services. Similarly, there is a shortage of dentistry in the region. Lewis County has the highest shortage, with 9:566 persons for each dentist.³ Lastly, the service area covered by the North Country Telemedicine Project has a high rate of cardiovascular disease when compared with both state and national averages. The lack of access to care for psychiatry, dental, and cardiology services would be substantially supported by this telemedicine network.

Currently, patients who need specialty healthcare services must travel to either Syracuse or Utica, both over 60 miles away. Transporting patients to these cities creates an undue burden on patients who have limited access to transportation and may not be able to afford either the transportation or the care that is rendered. As a result, services may be more expensive but delivered in a fragmented and inefficient way. Further, patient care outcomes may be sub-optimized because of variation and/or lack of follow-up.

¹ Information provided by the Central New York Health Systems Agency, updated as of November 2005.

http://www.cnyhsa.com/shortage_areas.php.

² Ibid.

³ Ibid.

PROJECT GOALS AND OBJECTIVES

FCC Criteria #2: Identify the goals and objectives of the proposed network

The following table serves to align the National Goals as identified by the FCC with that of the local North Country Telemedicine Project:

National Goals	Local Objectives
Connect Public and Non-Profit Healthcare Providers in Rural and Urban Areas	<ul style="list-style-type: none"> • Connect 30 North Country facilities, representing: <ul style="list-style-type: none"> ○ 5 hospitals (4 private, 1 public) ○ Fort Drum Medical Activity ○ 3 counties • Connect 4 urban facilities: <ul style="list-style-type: none"> ○ 3 in Syracuse ○ 1 in Utica
Bring Telemedicine Capabilities to Rural Areas Where Need is Most Acute	<ul style="list-style-type: none"> • Provide services to rural regions that are all RUCA code 4 and above • Provide telemedicine services in areas where it is either not available or underutilized • Create a unified, regional focus on telemedicine • Implement a single, consistent telecommunications network
Allow Patient Access to Critically Needed Medical Specialties in a Variety of Practices Without Leaving Home Communities	<ul style="list-style-type: none"> • Faster care • Increased access to services with growing population need • Increased access to services with high intensity and low volume • Access to services only available in urban areas
Link Network and Create Access to Regional, State and National Telemedicine and Information Exchange Activities	<ul style="list-style-type: none"> • Create access to Internet2 • Create access to New York State Tele-stroke project • Create access to other telemedicine activities (e.g., University Hospital telecardiology for pediatrics) • Create expanded opportunities for education and research
Enhance the Healthcare Community's Ability to Provide a Coordinated Response in the Event of a National Crisis	<ul style="list-style-type: none"> • Create network for mass casualty/disaster communications • Strengthen relationships between and among facilities and providers

The following table identifies more specific goals and objectives of the NCTP (two pages):

Project Goals	Project Objectives
Improve Patient Care Outcomes	<ul style="list-style-type: none"> • Shorter turn around times • More consistent care • Decreased demand for patient travel • Possibility for improved patient compliance
Respond to Provider Shortages	<ul style="list-style-type: none"> • Provide coverage for specialties with severe provider shortages (e.g., psychiatry and cardiology) • Maintain access to specialties with growing shortages due to aging MDs • Ensure continuity of care for specialties with low volume • Capitalize on the interest of MD champions at referring and consulting facilities • Increase MD satisfaction and retention • Increase ability to recruit primary care physicians
Stabilize the Local Health System	<ul style="list-style-type: none"> • Create economies scale by spreading cost • Increase collaboration for mutual benefit • Expand relationships with hospitals in Syracuse and Utica • Stabilize the local system as a whole • Leverage individual resources and capacities • Reduce unnecessary costs • Improve patient care and respond to community need • Increase patient satisfaction and overall health
Expand Local Information Access and Data Exchange	<ul style="list-style-type: none"> • Increase connectivity to Fort Drum • Increase health information transfer throughout region • Leverage PAX Change (application made to NYS Department of Health, January 2007) • Leverage JPO Connect (application made to NYS Department of Health, January 2007)
Implement a Cost-Neutral, Timely Solution	<ul style="list-style-type: none"> • Connect as many facilities as possible at minimal cost • Connect the facilities as part of a single project • Lower cost of telecommunications • Improve telecommunications capability • Offset capital costs through expanded patient care capability

Project Goals	Project Objectives
Improve Individual Hospital Performance	<ul style="list-style-type: none"> Improved CMI at rural facilities Lower overall cost per patient day at all facilities Increased patient and MD satisfaction Decreased bottlenecks Spreads patient volume and improves efficiency Decreased length of stay than if case retained without consult

PROJECTED IMPACT OF TELEMEDICINE SERVICES

In 2005, close to 2,200 North Country cases were treated in Syracuse or Utica. These cases included 35 different specialties. Seventeen specialties made up 80% of the volume. Eleven specialties made up 80% of the charges. The top specialties in each category are as follows⁴:

Cases by Total Volume	
Cardiac surgery	16%
General surgery	11.6%
Orthopedics	7.7%
Mental Health	6.1%
Substance Abuse	5.4%
Cases by Total Charges	
General surgery	15.8%
Open heart surgery	9.7%
Orthopedics	6.9%
Neonatology	4.5%
Neurosurgery	4.5%

⁴ SPARCS data, 2005.

Understanding that certain specialties require specific equipment and facilities as part of their care, the question then becomes: which services could be retained in market if specialty consultation were available? FDRHPO evaluated the remaining case volume, looking for the following:

- Specialties that suffer due to provider shortage, not because they require certain types of facilities or equipment
- Specialties with significant volume
- Specialties with significant charges
- Specialties where volume would not overtax staffing levels or skill mix

FDRHPO then analyzed the cost differential to provide those services in market via consultation, as compared with transferring the case to the tertiary facilities to the south. Four specialties emerged: cardiology, gastroenterology, oncology, and pulmonology. Further, FDRHPO determined that a certain percentage of general surgery might be retained if specialty consultation were available to the local surgeon. FDRHPO anticipates that 25% of general surgery and 50% of the other four specialties could be retained locally, with telemedicine support.

The impact to the receiving hospitals in Syracuse and Utica will be negligible, as the cases generated by the North Country represent only a fraction of their overall patient volume. Further, these hospitals will be able to recoup facility and provider fees under Medicare and Medicaid reimbursement guidelines for telemedicine.

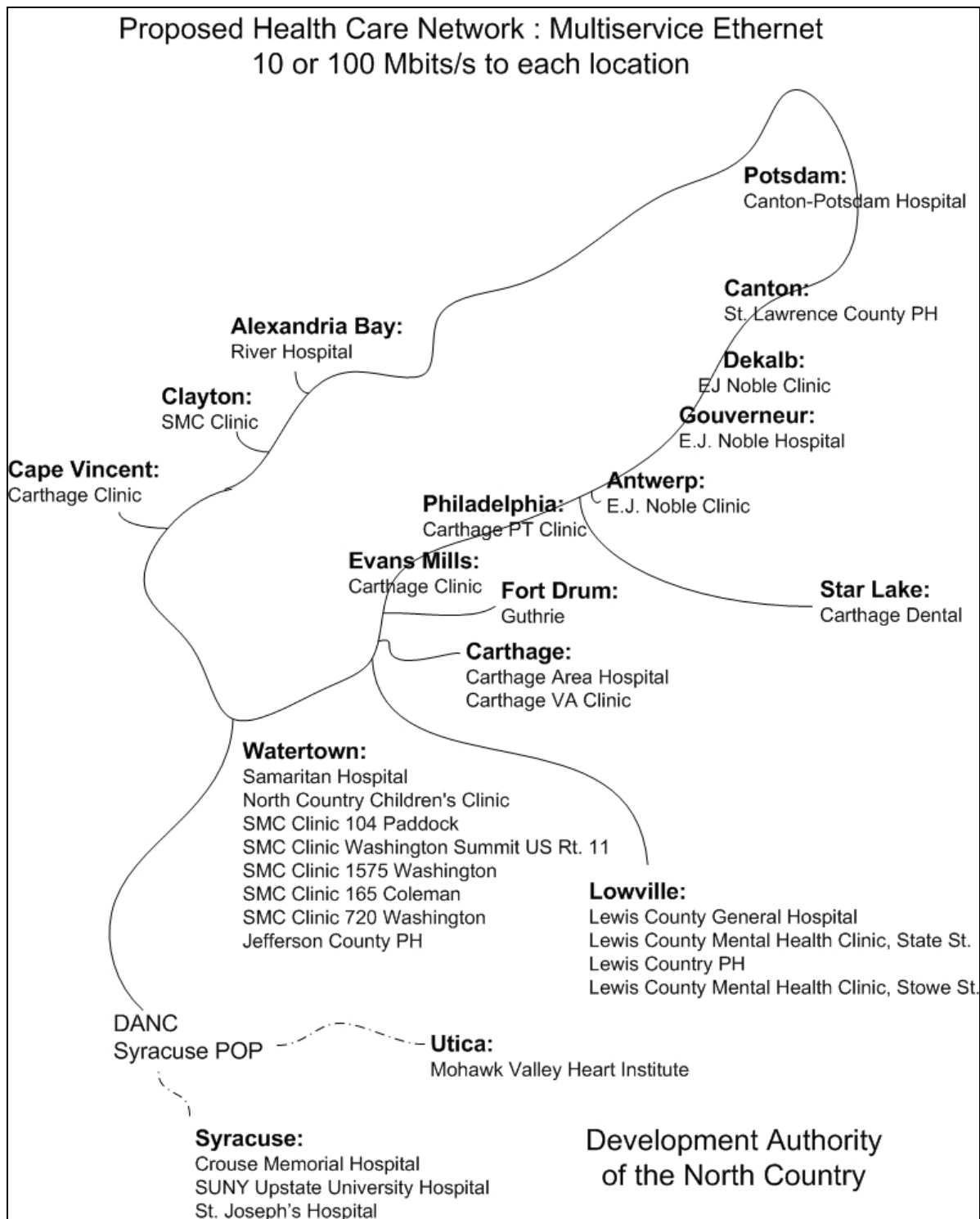
In addition to the direct financial benefit, telemedicine offers numerous intangible benefits to hospitals in the North Country, including:

- Stabilize the local system
- Reduce unnecessary costs
- Improve patient care and respond to community need
- Increase MD satisfaction and retention
- Increase ability to recruit primary care physicians
- Increase patient satisfaction and overall health
- Increase health information transfer as part of overall plan for data exchange

Lastly, the network would create the capacity for North Country hospitals to link into NYSErNet, the New York State portal to Internet2. This will give each hospital access to the latest clinical and academic research, as well as educational opportunities for students, staff, and physicians.

NETWORK MODEL

The following diagram is a visual representation of the proposed structure of the North Country Telemedicine network:



FINANCIALS

FCC Criteria #3: Estimate the network's total costs for each year

Network Cost Benefit

There are four types of expenses associated with this network: the cost to build the infrastructure, the ongoing telecommunication expense, personnel to manage the telemedicine services, and the cost of the equipment for telemedicine consultation.

Until now, the stakeholders in this project have not been able to implement telemedicine because of the cost associated with infrastructure development. The FDRHPO enlisted the Development Authority of the North Country to perform a technology assessment and propose a network that will connect area healthcare providers, thereby addressing the provider shortages and barriers to healthcare access. The network construction proposed by DANC will require approximately \$1.26 million in capital to implement. With the support of this FCC grant, DANC proposes to have 85% of the capital and telecom service costs reimbursed specific to telemedicine network development (\$1,078,219). The remaining 15% match (\$190,274) will be contributed by DANC because of the network's overall value to the community. Thus, the hospitals could implement the network in a completely cost neutral way.

Further, none of the facilities currently participate in Internet2, largely because it has been both costly and technically difficult to access because of relatively low capacity along the network.

The new network would not only provide expanded connectivity, it would lower the cost of telecommunication services. Most North Country hospitals already incur an average of \$1,800 per month in telecom fees, with suboptimal connectivity. To implement telemedicine well, they would need a stronger communications pipeline, at a lower cost.

The end result will be a network that has greater connectivity and capacity for better patient service, all at lower cost. Each hospital's telecom costs will decrease from \$1,800 per month (or \$21,600 per year) to \$324 per month, (or \$3,912 annualized). Each facility will save an average of \$35,000 per facility over the two-year life of the grant.

The next cost to consider pertains to the telemedicine equipment. Most of the facilities already have video conferencing capability. However, in order to fully implement telemedicine, the facilities will need to install portable equipment that integrates both the real-time face-to-face interaction, with diagnostics, such as a digital ENT scope, EEG reporting, and a digital stethoscope. Though some of these expenses may be covered by the cost savings that each facility will experience, the FDRHPO intends to submit a \$500,000 application for these equipment needs to the USDA Distance Learning and Telemedicine Grants program, due in June 2007.

The final costs for this project involve staffing. The staffing benefit includes costs associated with accessing specialist providers, and staffing to manage the telemedicine program.

Telemedicine will give North Country hospitals access immediate access to specialty providers in urban hospitals, thereby reducing the pressure to recruit and retain expensive specialists to practice locally. Based on the experience and best practice of other organizations that have implemented telemedicine, the facilities plan to hire mid-level professionals, such as advanced practice nurses, to manage the care of patients receiving telemedicine consultations through their respective hospitals.

Further, in order to coordinate the telemedicine activities for the network, the FDRHPO has secured a Federal Legislative member item for staff to oversee regional telemedicine activity. The hospitals have also said they would commit a portion of the personnel expense for this regional telemedicine project, if needed.

Thus, this project will reduce the costs of telecom and physician recruitment, while increasing access to care.

Section 1: Cost of Construction

The cost to construct the required fiber optic facilities and to provide the electronic equipment at each site to support the Ethernet Network connecting the 30 locations is estimated to be \$1,268,493.

Construction Sources of Funds	
FCC RHCP (85%)	\$1,078,219
DANC (15%)	190,274
Total	\$1,268,493
Construction Uses of Funds	
Spur construction and endpoint equipment	\$795,565
Regional transport facilities	325,000
Engineering and construction oversight	145,428
NYSERNet one-time connection fee	2,500
Total	\$1,268,493

Section 2: Monthly Recurring Cost (MRC) to Healthcare Providers

The 30 healthcare providers participating in the NCTP will be afforded the opportunity to purchase an Ethernet Network connection of 10 or 100 Megabytes pursuant to a 5-year contract at the recurring monthly rate as defined below. After the two-year grant period, healthcare providers will pay the prevailing rate for these services.

MONTHLY COST per facility

	10 MB Connection per Clinic N=20	100 MB Connection per Hospitals & Ft. Drum N=6	NYSERNet cost N=1 network connection	Local loop to Syracuse hospitals N=3	Local loop to Utica hospital N=1
FCC 2-yr. 85% reimbursement	\$977.50	\$1,848.75	\$2,040	\$850	\$2,550
Provider Net Cost	\$172.50	\$326.25	\$360	\$150	\$450
Monthly Recurring Cost	\$1,150	\$2,175	\$2,400	\$1,000	\$3,000

ANNUAL COST per facility

	10 MB Connection per Clinic N=20	100 MB Connection per Hospitals & Ft. Drum N=6	NYSERNet cost N=1 network connection	Local loop to Syracuse hospitals N=3	Local loop to Utica hospital N=1
FCC 2-yr. 85% reimbursement	\$11,730	\$22,185	\$24,480	\$10,200	\$30,600
Provider Net Cost	\$2070	\$3,915	\$4,320	\$1,800	\$5,400
Annual Recurring Cost	\$13,800	\$26,100	\$28,800	\$12,000	\$36,000

TWO-YEAR COST per facility

	10 MB Connection per Clinic N=20	100 MB Connection per Hospitals & Ft. Drum N=6	NYSERNet cost N=1 network connection	Local loop to Syracuse hospitals N=3	Local loop to Utica hospital N=1
FCC 2-yr. 85% reimbursement	\$23,460	\$44,370	\$48,960	\$20,400	\$61,200
Provider Net Cost	\$4,140	\$7,830	\$8,640	\$3,600	\$10,800
Two-Year Project Recurring Cost	\$27,600	\$52,200	\$57,600	\$24,000	\$72,000

TOTAL RECURRING COSTS for all facilities

	10 MB Connection for Clinics N=20	100 MB Connection for Hospitals and Ft. Drum, N=6	NYSERNet cost N=1 network connection	Local loop to Syracuse hospitals N=3	Local loop to Utica hospital N=1
Total FCC 2-yr. 85% reimbursement	\$469,200	\$266,220	\$48,960	\$61,200	\$61,200
Total Provider Net Cost	\$82,800	\$46,980	\$8,640	\$10,800	\$10,800
Total Project Recurring Cost	\$552,000	\$313,200	\$57,600	\$72,000	\$72,000

Recurring Expense Sources of Funds	FCC 85%	Facilities	Total
Clinic telecom	\$469,200	\$82,800	\$552,000
Hospital telecom	\$266,220	\$46,980	\$313,200
NYSERNet expense	\$48,960	\$8,640	\$57,600
Syracuse telecom	\$61,200	\$10,800	\$72,000
Utica telecom	\$61,200	\$10,800	\$72,000
Total	\$906,780	\$160,020	\$1,066,800

Section 3: Total Project Cost

The table below includes all construction-related and recurring expenses for the total life of the two-year grant period for all facilities.

Construction Sources of Funds	FCC 85%	Facilities	Total
Construction	\$1,078,219	\$0	\$1,078,219
DANC 15% match		\$190,274	\$190,274
<i>Subtotal</i>	<i>\$1,078,219</i>	<i>\$190,274</i>	<i>\$1,268,493</i>
Recurring Expense Sources of Funds	FCC 85%	Facilities	Total
Clinic telecom	\$469,200	\$82,800	\$552,000
Hospital telecom	\$266,220	\$46,980	\$313,200
NYSERNet expense	\$48,960	\$8,640	\$57,600
Syracuse telecom	\$61,200	\$10,800	\$72,000
Utica telecom	\$61,200	\$10,800	\$72,000
<i>Subtotal</i>	<i>\$906,780</i>	<i>\$160,020</i>	<i>\$1,066,800</i>
<i>Total Project</i>	<i>\$1,984,999</i>	<i>\$350,294</i>	<i>\$2,335,293</i>
TOTAL REQUEST OF FCC	\$1,984,999		

FCC Criteria #4: Describe how for-profit network participants will pay their fair share of the network costs

Private practices, such as primary physicians, will have the opportunity to connect to the telemedicine network; however, they are not eligible beneficiaries of the FCC Rural Healthcare Pilot Program grant funds. Therefore, when private practices are connected to the network, they will be charged the prevailing rate for services permitted by the OATN tariff, plus the full charge for capital costs associated with constructing new fiber optic lines to, and installing end-point equipment at, the physician's office.

FCC Criteria #5: Identify the source of financial support and anticipated revenues that will pay for costs not covered by the fund

The Development Authority of the North Country is dedicated to the creation of the North Country Telemedicine Project because of its impact to the region. DANC has demonstrated its support by pledging to provide the 15% match required of this grant. Additionally, DANC has offered to finance the construction of the network.

Fort Drum Regional Health Planning Organization relies on its member organizations for its longevity and sustainability in the community. A \$400,000 federal appropriation has been approved and will be issued to the FDRHPO, which can be used to fund critical initiatives created for the purpose of carrying out the organization's mission. A portion of this member item will be used to fund the Telemedicine Coordinator position for the NCTP. The proposed base salary for this position is \$55,000 plus benefits.

Network participants of the NCTP, such as member hospitals, have also committed to providing necessary support for program-related costs that are not fundable by this grant and that may be incurred over the life of the grant period. Additional government and private grant funding may be pursued in order to supplement additional costs related to staffing.

PROJECT PARTICIPANTS

FCC Criteria #6: List the healthcare facilities that will be included in the network

The list on the following page includes the 30 project participants (connection sites) of the North Country Telemedicine Project. Those include hospitals, clinics, and public health departments. Additional background information about each of the facilities can be found in Appendix B and are categorized as Rural Facilities (Watertown area) or Urban Facilities (Syracuse and Utica). Other Project Stakeholders that are critical to the implementation of the project are described below.

North Country Telemedicine Project: Grant Application

	Facility Name	City	Type	Role
1.	Canton-Potsdam Hospital	Potsdam	Rural	IT backbone
2.	Carthage Area Hospital	Carthage	Rural	Telemed consults
3.	Carthage Clinic	Cape Vincent	Rural	Telemed consults
4.	Carthage Clinic	Evans Mills	Rural	Telemed consults
5.	Carthage Dental (at Clifton-Fine Hospital)	Star Lake	Rural	Telemed consults
6.	Carthage PT Clinic	Philadelphia	Rural	Telemed consults
7.	Carthage VA Clinic	Carthage	Rural	Telemed consults
8.	Crouse Hospital	Syracuse	Urban	Telemed consults
9.	E.J. Noble Clinic	De Kalb Junction	Rural	Telemed consults
10.	E.J. Noble Clinic	Antwerp	Rural	Telemed consults
11.	E.J. Noble Hospital	Gouverneur	Rural	Telemed consults
12.	Guthrie Ambulatory Clinic	Ft. Drum	Rural	Telemed consults
13.	Jefferson County Public Health	Watertown	Rural	Telemed consults / PH
14.	Lewis County General Hospital	Lowville	Rural	Telemed consults
15.	Lewis County Public Health	Lowville	Rural	Telemed consults / PH
16.	Lewis County Mental Health	Lowville	Rural	Telemed consults / PH
17.	Lewis County Mental Health	Lowville	Rural	Telemed consults / PH
18.	Mohawk Valley Heart Institute (St. Elizabeth's)	Utica	Urban	Telemed consults
19.	North Country Children's Clinic	Watertown	Rural	Telemed consults
20.	River Hospital	Alex Bay	Rural	Telemed consults
21.	Samaritan Medical Center (SMC)	Watertown	Rural	Telemed consults
22.	SMC Clinic	Watertown	Rural	Telemed consults
23.	SMC Clinic	Watertown	Rural	Telemed consults
24.	SMC Clinic	Watertown	Rural	Telemed consults
25.	SMC Clinic	Watertown	Rural	Telemed consults
26.	SMC Clinic	Clayton	Rural	Telemed consults
27.	SMC Clinic	Watertown	Rural	Telemed consults
28.	St. Joseph's Hospital	Syracuse	Urban	Telemed consults
29.	St. Lawrence County Public Health	Canton	Rural	Telemed consults / PH
30.	SUNY Upstate Medical	Syracuse	Urban	Telemed consults

All of the hospitals participating in this project have conducted their own strategic planning processes in the last few years. With the additional personnel at Fort Drum and the aging physician population, hospitals in Northern New York are working to find ways of meeting patient need with scarce resources. Executives from the area hospitals are exploring ways to share resources and services where appropriate. They are also working to ensure that the services they currently offer and those that they develop are the most efficient and cost effective for the

communities they serve. Existing projects such as PAX Change and JPO Connect allow the hospitals and their providers to exchange and refer information between facilities, using electronic records and digital imaging data. PAX Change is a hospital-driven project sharing radiology records among facilities. JPO Connect is an initiative of the Jefferson Physicians Organization, connecting the member physicians through a central portal for secure email and patient-related material.

The participating rural hospitals in this project are Carthage Area Hospital, EJ Noble Hospital in Gouverneur, Lewis County General Hospital, Samaritan Medical Center, and River Hospital. Together these hospitals generate more than 12,300 discharges annually, with aggregated charges of greater than \$151 million. However, they also experience more than 3,000 cases that leave the service area, primarily for the specialty hospitals in Utica and Syracuse. In 2005, more than \$52 million of inpatient care was provided by these facilities.

As of 2002, the private, voluntary hospitals had operating margins ranging from -38.1% to 4.7%. Lewis County General Hospital is a municipal hospital with a margin of 8.4%. Average length of stay for all facilities ranged from 4.5 days to 10.8 days, compared with the state average of 6.1 days. Personnel expenses as a portion of total revenue range from 47% to 85%. Average costs per med-surg day ranged from \$200 to just under \$1200 per day.⁵

The tertiary facilities in Syracuse and Utica are University Hospital, Crouse Hospital, St. Joseph's Hospital, and St. Elizabeth's Hospital (Mohawk Valley Heart Institute). They have operating margins ranging between 1.8% and -0.4%, with an average margin of 0.975%. These hospitals have a total of 1,419 staffed beds. Together these facilities generate more than 65,000 discharges annually, with aggregated charges of greater than \$1.9 billion.

Other Project Stakeholders

Development Authority of the North Country

The Development Authority of the North Country (DANC) is a New York State chartered public benefit corporation, created in 1985. Its service area is Jefferson, Lewis, and St. Lawrence Counties. It was created to address the infrastructure and community development needs of the region.

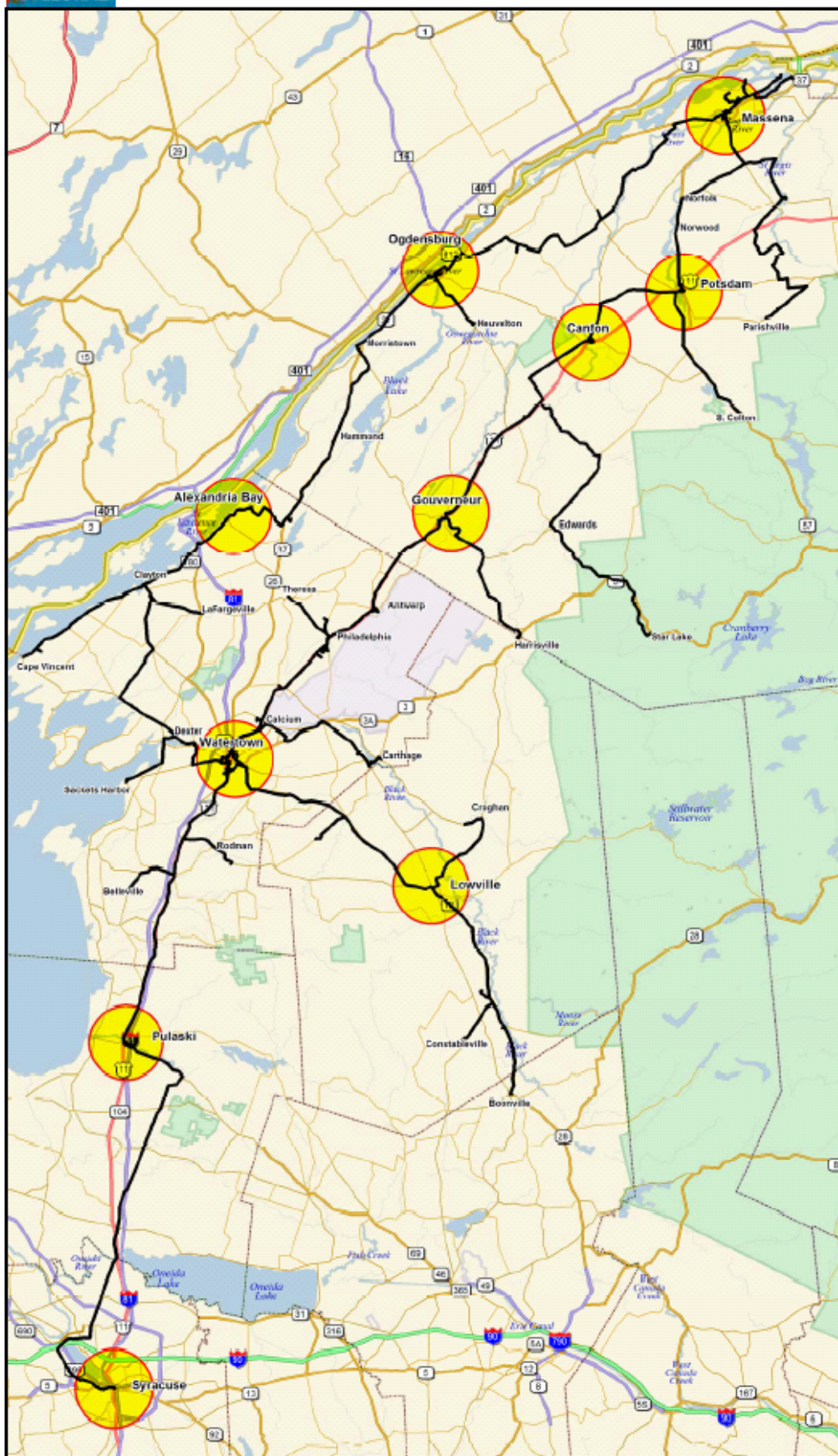
The Development Authority of the North Country will construct the new fiber connections to the 30 project participant facilities off their existing Open Access Telecom Network (OATN). The OATN is a state-of-the-art network that provides standard telecommunication transport circuits including Ethernet. The OATN has been in operation for four years serving and creating opportunities for all carriers and service providers serving the North Country by delivering higher quality services to businesses, schools, universities, and healthcare providers at affordable pricing. The network is positioned to interconnect with other networks and subscribers such as private practices. The healthcare providers will also be able to utilize their network connections

⁵ All data taken from the New York State Planning and Research Cooperative System of the New York State Department of Health, and the American Hospital Association Hospital Directory.
<http://www.ahd.com/freesearch.php3>.

for other existing applications (i.e. radiology, patient records, billing, etc.), which results in lower telecommunication cost and eliminates capacity restrictions for future applications.

DANC is also providing a significant financial contribution to the project, in the form of the 15% match, and is financing the construction of the network.

The image below illustrates the regional breadth of the existing Open Access Telecommunications Network, which will be augmented by 30 new network participants via the North Country Telemedicine Project.



Canton-Potsdam Hospital

Canton-Potsdam Hospital (CPH) is a 94-bed acute-care community hospital located in Potsdam. Its role in the NCTP is unique in that it will not partake in actual telemedicine consults within the network at this time. However, because CPH provides the technological backbone upon which most of the North Country area hospitals run their Meditech Information Systems, its participation in the project will include ensuring the safety and security of the information being passed among other network participants. The NCTP project budget includes the capital cost of constructing a connection site at CPH.

Public Health Departments

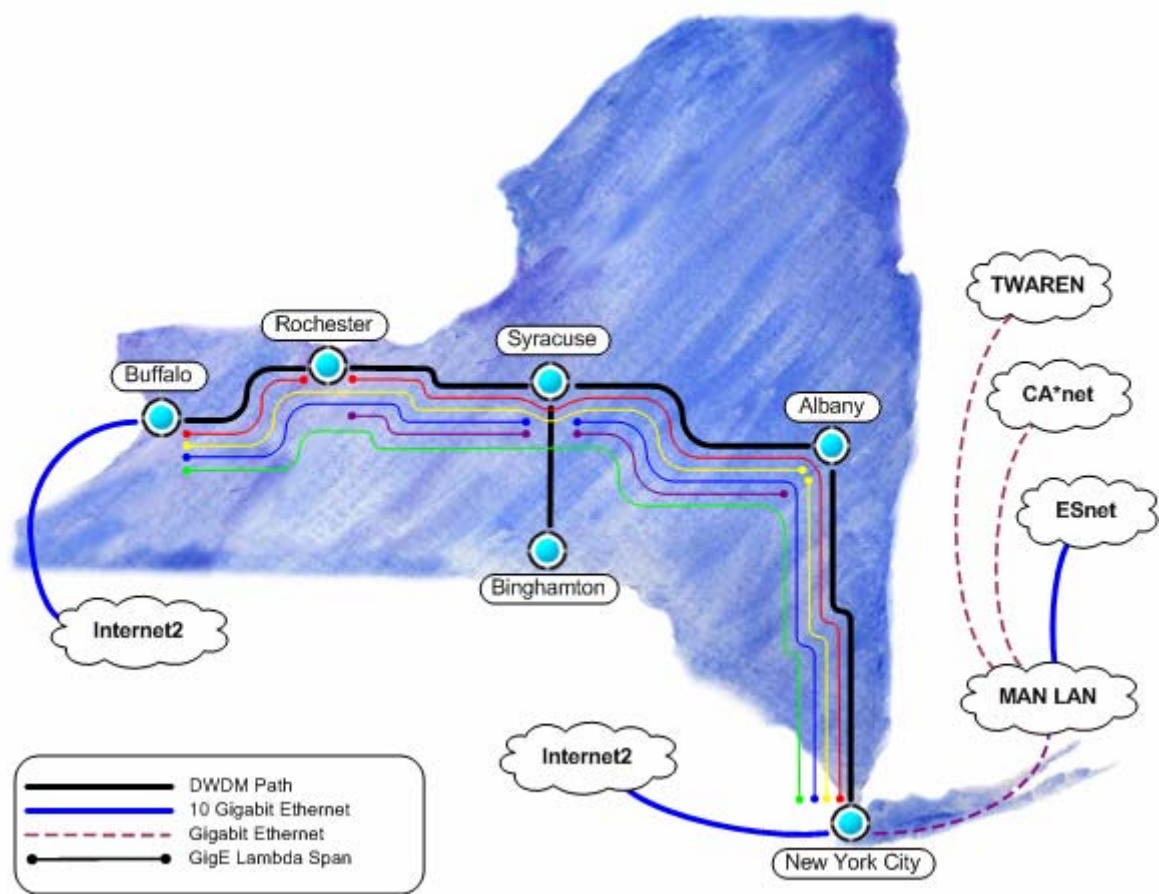
Jefferson, Lewis, and St. Lawrence County Public Health Departments are key participants in the North Country Telemedicine Project. The proposed network will allow Public Health to participate in teleconsults to/from healthcare providers, especially for mental health activities as they relate to their respective populations, but perhaps more importantly, the network will enhance the healthcare community's ability to provide a coordinated response in the event of a healthcare crisis. Public Health is integral to providing communications and actions related to mass casualty and disaster preparedness situations. Their participation in the network is vital to creating a more unified community response to disaster, and can also help to strengthen relationships between and among facilities and providers in the North Country.

NYSERNet

NYSERNet is a private not-for-profit corporation created to foster science and education in New York State. Its mission is to advance those network technologies and applications that enable collaboration and to promote technology transfer for research and education, expanding these to government, industry, and the broader community. An internet pioneer, NYSERNet has delivered next-generation Internet services to New York State's research and education community since 1985. NYSERNet members include New York State's leading universities, colleges, museums, healthcare facilities, primary and secondary schools, and research institutions.

NYSERNet will provide additional network capabilities to the rural hospitals participating in the North Country Telemedicine Project. Having access to NYSERNet will subsequently give those facilities access to Internet2. In addition to providing the research and education backbone for New York State and supporting Internet2 as an affiliate member, NYSERNet participates in many of Internet2's activities. NYSERNet staff present at Internet2 meetings, are active in a number of technical working groups, collaborate on joint projects, and teach advanced technologies at Internet2 workshops.

The diagram on the following page depicts the NYSERNet network:



PARTICIPANTS' GEOGRAPHIC AND RUCA INDEX

FCC Criteria #7: Provide the address, zip code, Rural Urban Commuting Area (RUCA) code and phone number for each health care facility participating in the network

	Facility Name	Address	City	ZIP Code	Phone #	RUCA
1.	Canton-Potsdam Hospital	50 Leroy St.	Potsdam	13676	315-265-3300	7
2.	Carthage Area Hospital	1001 West St Road	Carthage	13619	315-493-1000	5
3.	Carthage Clinic	400 S. Esselstyne Street	Cape Vincent	13618	315-654-2530	5
4.	Carthage Clinic	26121 US Rte. 11 Suite 5	Evans Mills	13637	315-629-1304	4
5.	Carthage Dental (at Clifton-Fine Hospital)	1014 Oswegatchie Trail	Star Lake	13690	315-848-3351	10
6.	Carthage PT Clinic	32787 US Rt.11	Philadelphia	13673	315-642-0216	4
7.	Carthage VA Clinic	3 Bridge St	Carthage	13619	315-493-4180	5
8.	Crouse Memorial	736 Irving Avenue	Syracuse	13210	315-470-7111	1*
9.	E.J. Noble Clinic	Route 11 & Route 17	De Kalb Junction	13630	315-347-3830	10
10.	E.J. Noble Clinic	Rt. 11	Antwerp	13608	315-659-8993	5
11.	E.J. Noble Hospital	77 W Barney St.	Gouverneur	13642	315-287-1000	7
12.	Guthrie Ambulatory Clinic	11050 Mt Belvedere Blvd.	Ft. Drum	13602-5004	315-772-4030	4
13.	Jefferson County Public Health	531 Meade St.	Watertown	13601	315-786-3770	4
14.	Lewis County General Hospital	7785 N State St	Lowville	13367	315-376-5200	7
15.	Lewis County Public Health	7785 North State Street	Lowville	13367	315-376-5453	7
16.	Lewis Cty Mental Health	7550 S State St.	Lowville	13367	315-376-5450	7
17.	Lewis Cty Mental Health	5274 Outer Stowe St.	Lowville	13367	315-376-5400	10
18.	Mohawk Valley Heart Institute (St. Elizabeth's)	2209 Genesee St.	Utica	13501	315-798-8100	1*
19.	North Country Children's Clinic	238 Arsenal St.	Watertown	13601	315-782-9450	4
20.	River Hospital	6 Fuller St.	Alex Bay	13607	315-482-2511	10
21.	Samaritan Medical Ctr (SMC)	830 Washington St.	Watertown	13601	315-785-4000	4
22.	SMC Clinic	104 Paddock	Watertown	13601	315-785-5785	4
23.	SMC Clinic	1575 Washington	Watertown	13601	315-779-5070	4

North Country Telemedicine Project: Grant Application

	Facility Name	Address	City	ZIP Code	Phone #	RUCA
24.	SMC Clinic	165 Coleman	Watertown	13601	315-788-8615	4
25.	SMC Clinic	720 Washington	Watertown	13601	315-785-4000	4
26.	SMC Clinic	909 Strawberry Lane	Clayton	13624	315-686-2094	10
27.	SMC Clinic	19320 US Rt. 11	Watertown	13601	315-785-4000	5
28.	St. Joseph's Hospital	301 Prospect Ave.	Syracuse	13203	315-448-5111	1*
29.	St. Lawrence County Public Health	80 NYS Rt 310	Canton	13617	315-386-2325	7
30.	SUNY Upstate Medical	750 East Adams St.	Syracuse	13210	315-464-5540	1*

** Indicates Urban Facilities Located in Syracuse and Utica*

TELEMEDICINE PROGRAM EXPERIENCE

FCC Criteria #8: Indicate previous experience in developing and managing telemedicine programs

The participating facilities in the North Country Telemedicine Project have faced various barriers to implementing telemedicine programs, including the cost of acquiring the network/telemedicine equipment, provider acceptance, patient acceptance, and reimbursement. Multiple aspects of this project help to alleviate or remove those barriers by creating an infrastructure for furthering the existing telemedicine initiatives already in place at many of the facilities.

Most of the hospitals and clinics already have video conferencing capabilities and/or telemedicine equipment that is being underutilized. Others have the hardware to implement telemedicine, but no way of connecting to their respective clinics for teleconsults. Projects including telestroke and teleradiology have been underway at other facilities, but lack of bandwidth and slow connections has dissuaded providers from fully realizing telemedicine services. Having a cohesive, well-managed telemedicine network will address many of the problems facing rural North Country facilities, and will also prevent a significant number of patients from moving out of market to urban facilities in Syracuse and Utica.

The creation of the NCTP leverages several existing communications networks and relationships among the network participants. Many of the facilities have implemented the use of PAX Change, picture archiving and communication systems or networks dedicated to the storage, retrieval, distribution and presentation of images. Similarly, there is overlapping participation in a local initiative called JPO Connect, managed by the Jefferson (County) Physicians' Organization. JPO Connect is a clinical integration data exchange (CIDE) model involving multiple healthcare entities in the North Country, and standardizing healthcare information exchange across regional borders. The project was initiated in 2006 and awaits funding from New York State.

Based on their collaborative experiences with PAX Change and JPO Connect, and based on their existing business associate agreements, participating facilities of the NCTP already have much of the foundation to approach telemedicine as a joint regional effort rather than single, disjointed attempts at program success.

University Hospital in Syracuse has an existing telemedicine program, specifically focusing on pediatric cardiology. The hospital anticipates growing its telemedicine program into the North Country, and this project will greatly assist with that effort.

PROJECT MANAGEMENT PLAN

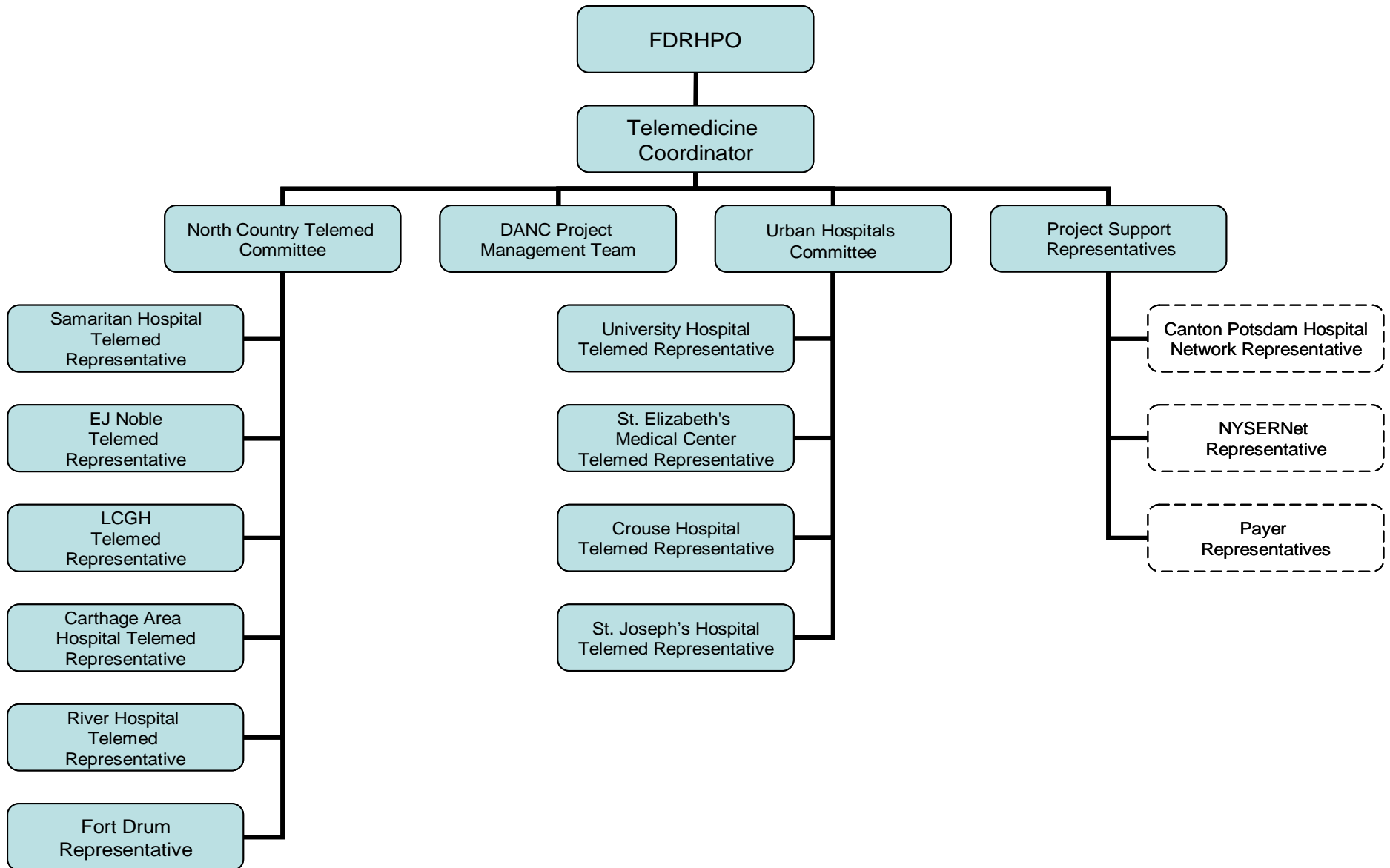
FCC Criteria #9: Provide a project management plan outlining the project's leadership and management structure, as well as its work plan, schedule, and budget

Overall Project Management

The FDRHPO will oversee the project, through a full-time Telemedicine Coordinator with a clinical and/or IT background. In addition to the coordinator, the project team will consist of committees representing the North Country hospitals, the urban hospitals, and the Development Authority of the North Country. DANC will manage the installation and management of the Network.

Each of these committees will discuss and advise the network and telemedicine activities that pertain to their area.

The organization chart on the following page depicts the overall project management structure of the North Country Telemedicine Project.



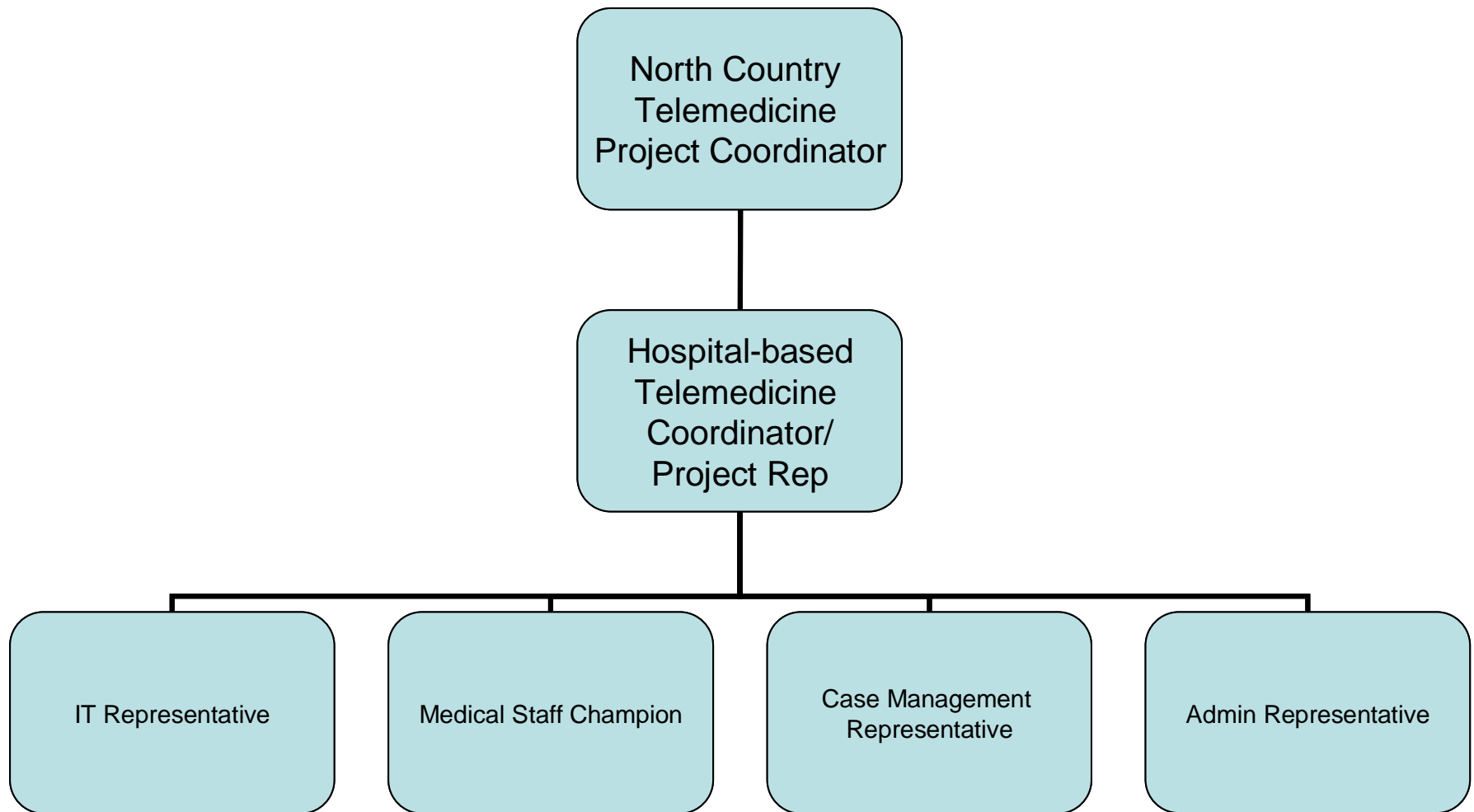
The Telemedicine Coordinator, who will be a staff member of the FDRHPO, will carry out the following responsibilities:

- Act as central project contact
- Represent FDRHPO to DANC during network construction
- Provide staff support to all committees
- Manage relationships with and between the hospitals
- Initiate and train staff on telemedicine process
- Oversee efforts to begin payer reimbursement
- Track outcomes
- Track budget
- Analyze cost efficiency
- Evaluate when/if new services or providers are needed
- Prepare FCC grant reports
- Seek alternate sources of funding
- Seek alternate uses of the network—e.g., CME, NYSERNet research, etc.

Site-based Project Management

The diagram on the following page depicts a site-based project management plan for each of the individual project sites. Each site will have a telemedicine coordinator, who can manage the roll-out and use of telemedicine for the respective site. This person will act as the central source for telemedicine activities, working closely with information technology on network issues, the medical staff on provider matters, case management for patient follow-up, and administration. This person will also have the responsibility for tracking the patient after the telemedicine consultation; thus, the positions will likely be staffed by advanced practice nurses or physician's assistants.

The site-based telemedicine coordinators will convene a working group of personnel who will plan, implement, and evaluate telemedicine activities at each site. The telemedicine coordinators will also represent their facilities to the project-based committees.



Project Milestones

The following table includes all the significant milestones that will occur during the two-year grant period. These milestones will be managed by the FDRHPO.

Activity	Timeframe
Network construction	Months 1 - 4
Hiring the project coordinator	Months 1 - 2
Meeting with the tertiary providers to educate on telemedicine and refine business associate agreements	Months 2 - 4
Identification of site representatives—for clinical services and IT issues	Months 2 - 4
Roll out of the committees representing the North Country facilities, the tertiary facilities, and DANC	Months 4 - 5
Vendor selection and purchase of telemedicine equipment	Months 4 - 7
Protocol development for consult rule-in/rule out, consultation imitation and follow-up process, information exchange and security, etc.	Months 4 - 9
Initial engagement of commercial payers for demonstration and possible reimbursement	Months 5 - 11
Testing the network	Months 7 - 10
Training and piloting network access, and use of the equipment	Months 8 - 10
Roll out of initial specialties: cardiology, gastroenterology, oncology, pulmonology and outpatient behavioral health (one per month)	Months 10 - 16
Evaluation	Months 16 - 24

INFORMATION SECURITY & CONTINUITY

The Development Authority of the North Country will be responsible for ensuring the security and continuity of the actual telecommunications network. The larger issue exists at the application layer—“pushing” and “pulling” material used in telemedicine consults at each of the facilities.

All of the hospitals have business associate agreements that cover treatment, billing, and other issues. Those agreements will need to be extended to cover the hard points of access through which information is transmitted. The individual facilities have means to create remote users who can access information in the context of a telemedicine consultation. However, there will need to be a clearinghouse to which facilities can push information, and from which Fort Drum can pull the information, in ways that do not disrupt existing security infrastructure and process.

All of the facilities participating in this project utilize a form of Meditech for their information systems. Many of the providers use a backbone provided by Canton Potsdam Hospital (CPH) for their Meditech systems. CPH will also be connected to this network, to ensure the safety and security of the information, but will not be one of the healthcare providers using the telemedicine services.

Additionally, the participating facilities of the NCTP will apply for SSL (Secure Sockets Layer) Certification in order to ensure the safety and integrity of the protected health information being exchanged among the providers.

This project will use evidence-based protocols for initiation and transmission of teleconsults. All consults will follow an algorithm-based flow chart that directs how the North Country facilities direct the consults, and the process for information exchange.

In recognition of the various firewalls associated with the Department of Defense, the telemedicine system will include a third-party mechanism through which Fort Drum providers will securely access files and information without pulling the information back into the Fort Drum network.

STATEWIDE & REGIONAL NETWORK COORDINATION

FCC Criteria #10: Indicate how the telemedicine program will be coordinated throughout the state or region

The Telemedicine Program Coordinator will be responsible for assuring that the North Country Telemedicine Project is fully represented throughout the North Country region, including pursuing opportunities for integration into other statewide and regional networks. As a liaison for the FDRHPO, the Coordinator will work to build additional relationships among existing healthcare information networks, including those present in urban areas such as Syracuse and Utica.

An important element of this project will be connection to NYSERNet, the New York State Education and Research Network that connects to Internet2. Connecting the hospitals to NYSERNet will allow them to link into university-based research, continuing medical education, and other educational opportunities. The transfer of technology between and among these facilities will allow for expanded education access, faster adoption of new practices, and improved capacity to recruit and retain providers. The real-time access to remote resources will also improve the patient care offered in these rural communities.

Coordination of activities will also take place among existing telemedicine programs, such as the New York State Tele-stroke project, and University Hospital's telecardiology program for pediatrics and neonatal care.

NETWORK SUSTAINABILITY

FCC Criteria #11: Indicate to what extent the network can be self-sustaining once established

The North Country Telemedicine Project incurs most of its costs during the development of the physical network. Once the fiber optic network is built, with all 30 connection sites live, the ongoing costs of the network still represent only a fraction of what the facilities are currently paying for telecommunications services. The cost savings from a network standpoint are staggering, without taking into effect the clinical cost benefits that will be realized when patients are retained via telemedicine consults.

Clinical Cost Benefit

Together, the five specialties of general surgery, cardiology, gastroenterology, oncology, and pulmonology represent more than 20% of the cases that are transferred from the North Country to Syracuse. These cases also represent greater than 25% of the charges. Ultimately we found a cost differential for transferring as compared to retaining the case ranging from \$4,500 to more than \$11,000 per case, depending on type. Adjusting for those cases that would have to be transferred either because of acuity, patient preference or other reasons, we projected a potential

cost savings of nearly \$4.11 million just for these five specialties. Retaining 5% of the other 30 specialties had the potential to realize another \$2 million in revenue for local hospitals. All told, retaining \$6 million worth of services in the North Country would equal a 4% improvement in local healthcare inpatient revenue.

At its core, telemedicine reallocates resources from a constrained location (the urban medical center) to sub-optimized, rural facilities. The downside to the urban facilities is relatively minor in comparison, as the total drop in case volume should have only a small impact on overall contribution margin. For these overburdened facilities, the opportunity to minimize transfer of less complex cases will allow them to improve throughput and concentrate care for higher acuity patients. Further, the addition of telemedicine has the potential of actually increasing referrals for cases that are more appropriate (and cost efficient) for the tertiary facilities, based on the stronger provider relationships that telemedicine creates.

Reimbursement

As of September 1, 2006, both Medicare and Medicaid will reimburse telehealth services to some extent. Medicare will cover consultation, office visits, individual psychotherapy, and pharmacologic management delivered via a telecommunication system. Medicaid will pay for medically necessary emergency room and inpatient hospital telemedicine consultation by specialty physicians. CMS requires that both types of consultation be via a fully interactive audio and video telecommunications system that permits real-time communications between the distant site physician and the Medicare beneficiary⁶, while also supporting the review of diagnostic tests integral to the consultation.⁷

The chart below outlines the payer mix by product line for the specialties described above. The percentages are the average across the four tertiary facilities included in the project:

Product Line	Payer	Percentage
Cardiology	Medicaid	10.2 %
	Medicare	53.3 %
Gastroenterology	Medicaid	9.5 %
	Medicare	42.3 %
General Surgery	Medicaid	9.8 %
	Medicare	35.6 %
Oncology	Medicaid	36.9 %
	Medicare	24.4 %
Pulmonology	Medicaid	16.4 %
	Medicare	48.3 %

⁶ Medicare requirement

⁷ Medicaid requirement

Currently none of the private payers reimburse for telemedicine, though payers in the Rochester region are considering demonstration projects for telemedicine coverage. The following chart outlines private payer percentages by product line, as a sum of Blue Cross, Commercial, and HMO:

Product Line	Private Payer Percentage
Cardiology	21.2 %
Gastroenterology	34.2 %
General Surgery	38.7 %
Oncology	32.8 %
Pulmonology	23.4 %

Of the projected revenue generated by the five specialties outlined in this project, nearly \$1.5 million derives from the cost savings of keeping the care local. The benefits to the payers include immediate cost savings, improved standardization of care, and decreased fragmentation, all leading to lower cost and higher value. Perhaps after initial demonstration of the project, the payers will be persuaded to reimburse this valuable service.

Appendix A: Request for Waiver from Bidding

The Fort Drum Regional Health Organization requests a waiver from bidding requirements, and has selected the Open Access Telecom Network (OATN) managed by the Development Authority of the North Country to support its telemedicine program applications for the following reasons:

- The OATN can deliver fiber optic facilities to each stakeholder location in the proposed network. No other single carrier can support all of the proposed sites with fiber optic facilities, and managing multiple carriers would be administratively burdensome for the small, rural hospitals in the network.
- The OATN will support the telemedicine network with Ethernet circuits of varying sizes.
- Extension of the OATN facilities to the participating sites creates access for additional voice and data providers seeking to do business with the participating institutions. The OATN facilities are available, without prejudice, to all service providers. This allows the hospitals tremendous flexibility and competitive choice in their selection of telecommunications service providers.
- The Development Authority of the North Country owns and operates the OATN. The Development Authority is regulated by a tariff approved by the NYS Public Service Commission; is familiar with USAC programs; and is an Eligible Telecommunications Carrier pursuant to 47 U.S.C. 214 (e) (2).

Appendix B: Project Participants' Organizational Backgrounds

RURAL FACILITIES (in Jefferson, Lewis, St. Lawrence Counties)

Brief descriptions of the following NCTP participants are included below. Descriptions of the individual clinics of the respective hospitals are not included:

- a. Samaritan Medical Center
- b. Carthage Area Hospital
- c. E.J. Noble Hospital
- d. Lewis County General Hospital
- e. River Hospital
- f. Fort Drum Medical Activity (MEDDAC)
- g. North Country Children's Clinic

a. Samaritan Medical Center

Samaritan Medical Center is a teaching hospital affiliated with SUNY Upstate Medical University and seven other colleges of osteopathic medicine. Samaritan Medical Center is a member of the Samaritan Health System located in Watertown, N.Y. At this time the CEO of Samaritan Medical Center is the Chairperson of the Fort Drum Regional Health Planning Organization.

- **Market Share** - Samaritan Medical Center accounts for 91.05% of the Fort Drum enrolled inpatient local area hospital market share.
- **NYS Perinatal Center Designation** – Samaritan Medical Center operates a neonatal intensive care unit and a neonatal intermediate care unit. Samaritan is a Level 2 perinatal center providing care to women and newborns at moderate risk. Samaritan coordinates maternal-fetal and newborn transfers of high-risk patients to the Regional Perinatal Center at Crouse Hospital in Syracuse, N.Y.
- **Quality Measures** – Samaritan Medical Center currently collects quality performance measures in 4 core areas that are reported to CMS: appropriate heart attack care; appropriate heart failure care; appropriate pneumonia care; and appropriate surgical infection prevention. Samaritan also has its own internal system for measuring other quality indicators and improving performance and patient outcomes.
- **Available Care** – The following medical and surgical services are available at Samaritan Medical Center or through extension clinics authorized by the hospital's operating certificate:

Samaritan Medical Center Main Facility Services

Acute Renal Dialysis	Linear Accelerator	Pediatric Intensive Care Unit
Ambulatory Surgery	Lithotripter	Physical Medical Rehab O/P
Audiology (outpatient)	Magnetic Resonance Imaging	Physical Therapy O/P
Burn Care	Maternity	Primary Medical Care O/P
Cardiac Catheterization (adult)	Medical Rehabilitation	Psychiatric
Coronary Care	Medical/Surgical	Psychiatric O/P
Cystoscopy	Neonatal Intensive Care	Respiratory Care
Dental (outpatient)	Neonatal Intermediate Care	Social Work Service
Emergency Department	Nuclear Medicine (diagnostic)	Speech-Language Pathology
Health Fairs	Nuclear Medicine (therapeutic)	Therapeutic Radiology
Intensive Care	Pediatric	O/P = Outpatient

Samaritan Extension Clinic Services (3 Locations in Jefferson County)

Primary Medical Care	Psychiatric	Psychological
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Samaritan Medical Plaza Services

Health Education	Psychological	WellChild Care
Primary Medical Care	Diagnostic Radiology	Alcohol Rehabilitation

- **Procedures Performed** – This following table shows the number of inpatient and outpatient medical and surgical procedures performed by Samaritan Medical Center in the 12-month period ending June 2006.

Procedures at Samaritan Medical Center in the 12-month Period Ending June 2006:	In¹	Out²
Miscellaneous diagnostic and therapeutic procedures	3,535	1,937
Obstetrical procedures	4,600	16
Operations on the cardiovascular system	722	350
Operations on the digestive system	1,007	736
Operations on the ear	15	497
Operations on the endocrine system	12	8
Operations on the eye	2	1,021
Operations on the female genital organs	585	1,035
Operations on the hemic and lymphatic system	39	87
Operations on the male genital organs	847	80
Operations on the musculoskeletal system	856	1,920
Operations on the nervous system	187	419
Operations on the nose; mouth; and throat	61	1,332
Operations on the respiratory system	462	135

Operations on the skin	255	508
Operations on the urinary system	755	241
¹ In-patient procedures		
² Ambulatory surgery		
Source: NYS DOH http://hospitals.nyhealth.gov		

- **Beds** – Samaritan Medical Center has 287 beds. The following table shows the numbers and type of beds the hospital is licensed to operate.

Bed Type	Number
Coronary Care	4
Intensive Care	6
Maternity	24
Medical-Surgical	166
Neonatal Intensive Care	4
Neonatal Intermediate Care	8
Pediatric	30
Pediatric Intensive Care Unit	4
Physical/Medical Rehabilitation	16
Psychiatric/Mental	25*
Total Beds	287
*Due to increase to 32 beds April 10, 2007	
Source: NYS DOH http://hospitals.nyhealth.gov	

b. Carthage Area Hospital

Carthage Area Hospital is a rural community hospital located in Carthage, N.Y. existing primarily to provide emergency, acute and wellness care services to the residents of the surrounding community including both the civilian and military population. Carthage Area Hospital is a teaching hospital affiliated with LeMoyne College. The CEO of Carthage Area Hospital serves on the Executive Committee of the Fort Drum Regional Health Planning Organization.

- **Market Share** – Carthage Area Hospital accounts for 7.5% of the Fort Drum enrolled inpatient local area hospital market share.
- **NYS Perinatal Center Designation** – Carthage Area Hospital is a Level 1 Perinatal Center providing care to normal and low-risk pregnant women and newborns. Carthage coordinates maternal-fetal and newborn transfers of high-risk patients to the Regional Perinatal Center at Crouse Hospital in Syracuse, N.Y.
- **Quality Measures** – Carthage Area Hospital currently collects quality performance measures in 3 core areas that are reported to CMS: appropriate heart attack care; appropriate heart

failure care; and appropriate pneumonia care. Carthage Area Hospital also has its own internal system for measuring other quality indicators and improving performance and patient outcomes.

- **Available Care** – The following medical and surgical services are available at Carthage Area Hospital or through extension clinics authorized by the hospital's operating certificate:

Carthage Area Hospital Main Facility Services

Ambulatory Surgery	Medical Rehabilitation	Prenatal O/P
CT Scanner	Medical/Surgical	Primary Medical Care O/P
Emergency Department	Occupational Therapy O/P	Social Work Service
Family Planning O/P	Pediatric	Speech Language Pathology
Maternity	Physical Therapy O/P	Swing Bed Program
O/P = Outpatient		

Carthage Area Hospital Extension Clinic Services (6 locations)

Primary Medical Care	Psychiatric	Psychological
Dental Care	Health Education	Prenatal
Family Planning	Physical Therapy	Immunology
Multiphasic Screening	Nursing	Social Service Work
STD Screening and Care	Well Child Care	

- **Procedures Performed** – This following table shows the number of inpatient and outpatient medical and surgical procedures performed by Carthage Area Hospital in the 12-month period ending June 2006.

Procedures performed at Carthage Area Hospital in the 12-month Period Ending June 2006:	In¹	Out²
Miscellaneous diagnostic and therapeutic procedures	6,762	8
Obstetrical procedures	601	0
Operations on the cardiovascular system	78	18
Operations on the digestive system	321	893
Operations on the ear	0	0
Operations on the endocrine system	1	0
Operations on the eye	0	992
Operations on the female genital organs	159	296
Operations on the hemic and lymphatic system	5	3
Operations on the male genital organs	126	14
Operations on the musculoskeletal system	12	460
Operations on the nervous system	68	118
Operations on the nose; mouth; and throat	0	12
Operations on the respiratory system	4	0

Operations on the skin	20	80
Operations on the urinary system	20	31
¹ In-patient procedures		
² Ambulatory surgery		
Source: NYS DOH http://hospitals.nyhealth.gov		

- **Beds** – Carthage Area Hospital has 48 total beds. The chart below shows the numbers and type of beds the hospital is licensed to operate.

Bed Type	Number
Maternity	6
Medical-Surgical	28
Pediatric	4
Physical/Medical Rehabilitation	10
Total Beds	48
Source: NYS DOH http://hospitals.nyhealth.gov	

c. Edward John Noble Hospital of Gouverneur

Edward John (E.J.) Noble Hospital of Gouverneur is a rural community hospital serving the needs of southern St. Lawrence County which is home to a number of TRICARE beneficiaries residing in 801 housing units and in the local community. The CEO of Lewis County General Hospital who speaks on behalf of the three smaller hospitals in the Fort Drum Health Services Area represents E.J. Noble on the Fort Drum Regional Health Planning Organization.

- **Market Share** – E.J. Noble accounts for 1.1% of the Fort Drum enrolled inpatient local area hospital market share.
- **NYS Perinatal Center Designation** – E.J. Noble is a Level 1 Perinatal Center providing care to normal and low-risk pregnant women and newborns. E.J. Noble coordinates maternal-fetal and newborn transfers of high-risk patients to the Regional Perinatal Center at Crouse Hospital in Syracuse, N.Y.
- **Quality Measures** – E.J. Noble Hospital currently collects quality performance measures in 3 core areas that are reported to CMS: appropriate heart attack care; appropriate heart failure care; and appropriate pneumonia care. E.J. Noble also has its own internal system for measuring other quality indicators and improving performance and patient outcomes.
- **Available Care** – The following medical and surgical services are available at E.J. Noble Hospital of Gouverneur or through extension clinics authorized by the hospital's operating certificate:

E.J. Noble Hospital of Gouverneur Main Facility Services

Ambulatory Surgery	Emergency Department	Medical/Surgical
Coronary Care	Intensive Care	Pediatric
CT Scanner	Magnetic Resonance Imaging	Social Work Service
Cytoscopy	Maternity	Swing Bed Program
O/P = Outpatient		

E.J. Noble Hospital of Gouverneur Extension Clinic Services

Primary Medical Care	Pediatric
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- **Procedures Performed** – This following table shows the number of inpatient and outpatient medical and surgical procedures performed by E.J. Noble Hospital of Gouverneur in the 12-month period ending June 2006.

Procedures Performed at E.J. Noble Gouverneur in the 12-month Period Ending June 2006:	In¹	Out²
Miscellaneous diagnostic and therapeutic procedures	175	4
Obstetrical procedures	170	0
Operations on the cardiovascular system	27	1
Operations on the digestive system	46	340
Operations on the ear	0	1
Operations on the endocrine system	0	0
Operations on the eye	3	109
Operations on the female genital organs	19	37
Operations on the hemic and lymphatic system	1	5
Operations on the male genital organs	40	6
Operations on the musculoskeletal system	9	87
Operations on the nervous system	14	11
Operations on the nose; mouth; and throat	2	35
Operations on the respiratory system	2	0
Operations on the skin	25	49
Operations on the urinary system	11	0
¹ In-patient procedures		
² Ambulatory surgery		
Source: NYS DOH http://hospitals.nyhealth.gov		

- **Beds** – E.J. Noble Hospital of Gouverneur has 47 total beds. The chart below shows the numbers and type of beds the hospital is licensed to operate.

Bed Type	Number
Maternity	4
Medical-Surgical	37
Pediatric	3
Intensive Care	3
Total Beds	47
Source: NYS DOH http://hospitals.nyhealth.gov	

d. Lewis County General Hospital

Lewis County General Hospital, located in Lowville, N.Y., is a 54 bed rural acute care community hospital serving the needs of Lewis County which is home to TRICARE beneficiaries residing in 801 housing units and in the local community. The CEO of Lewis County General Hospital represents the three smaller hospitals in the Fort Drum Health Services Area on the Fort Drum Regional Health Planning Organization Board of Directors.

- **Market Share** – Lewis County General Hospital accounts for 0.34% of the Fort Drum enrolled inpatient local area hospital market share.
- **NYS Perinatal Center Designation** – Lewis County General Hospital is a Level 1 Perinatal Center providing care to normal and low-risk pregnant women and newborns. Lewis County General coordinates maternal-fetal and newborn transfers of high-risk patients to the Regional Perinatal Center at Crouse Hospital in Syracuse, N.Y.
- **Quality Measures** – Lewis County General Hospital currently collects quality performance measures in 3 core areas that are reported to CMS: appropriate heart attack care; appropriate heart failure care; and appropriate pneumonia care. Lewis County General Hospital also has its own internal system for measuring other quality indicators and improving performance and patient outcomes.
- **Available Care** – The following medical and surgical services are available at Lewis County General Hospital or through extension clinics authorized by the hospital's operating certificate:

Lewis County General Hospital Main Facility Services

Ambulatory Surgery	Magnetic Resonance Imaging	Physical Medical Rehab O/P
CT Scanner	Maternity	Social Work Service
Emergency Department	Medical Surgical	Speech-Language Pathology
Intensive Care	Part Time Clinics	Swing Bed Program
Primary Medical Care O/P		O/P = Outpatient

Lewis County General Hospital Clinic Services (2 locations in Lewis County)

Primary Medical Care

- **Procedures Performed** – The following table shows the number of inpatient and outpatient medical and surgical procedures performed by Lewis County General Hospital in the 12-month period ending June 2006.

Procedures 12-month Period Ending June 2006:	In¹	Out²
Miscellaneous diagnostic and therapeutic procedures	468	54
Obstetrical procedures	460	1
Operations on the cardiovascular system	45	40
Operations on the digestive system	271	945
Operations on the ear	1	0
Operations on the endocrine system	0	0
Operations on the eye	0	257
Operations on the female genital organs	71	64
Operations on the hemic and lymphatic system	6	5
Operations on the male genital organs	89	29
Operations on the musculoskeletal system	116	115
Operations on the nervous system	72	8
Operations on the nose; mouth; and throat	3	17
Operations on the respiratory system	6	0
Operations on the skin	60	152
Operations on the urinary system	60	0
¹ In-patient procedures		
² Ambulatory surgery		
Source: NYS DOH http://hospitals.nyhealth.gov		

- **Beds** – Lewis County General Hospital has 54 beds. The chart below shows the numbers and type of beds the hospital is licensed to operate.

Bed Type	Number
Intensive Care	6
Maternity	6
Medical-Surgical	42
Total Beds	54
Source: NYS DOH http://hospitals.nyhealth.gov	

e. River Hospital, Inc.

River Hospital, Inc. is a critical access hospital located 30 miles north of Watertown in Alexandria Bay, N.Y. serving the needs of the St. Lawrence River communities and the Thousand Islands region of Northern New York State. While River Hospital, Inc. accounts for a negligible percentage of the services provided to Fort Drum beneficiaries, it is included in this report as a part of the community-based system in the Fort Drum Health Service Area. The CEO of Lewis County General Hospital, who speaks on behalf of the three smaller hospitals in the Fort Drum Health Services Area, represents River Hospital on the Fort Drum Regional Health Planning Organization Board of Directors.

- **Market Share** - River Hospital accounts for a negligible percentage of the Fort Drum enrolled inpatient local area hospital market share.
- **NYS Perinatal Center Designation** – River Hospital does not offer maternity care other than basic primary care or emergency care.
- **Quality Measures** – River Hospital is not a JCAHO accredited facility therefore core measures were not available. The hospital does however report an internal process for measuring quality indicators and improving performance.
- **Available Care** – The following medical and surgical services are available at River Hospital, Inc.:

River Hospital, Inc. Services

Ambulatory Surgery	Emergency Department	Special Use
CT Scanner	Primary Medical Care O/P	Swing Bed Program
Social Work Service		O/P = Outpatient

- **Beds** – River Hospital, Inc. has 15 beds. The chart below shows the numbers and type of beds the hospital is licensed to operate.

Bed Type	Number
Special Use	15
Total Beds	15
Source: NYS DOH http://hospitals.nyhealth.gov	

All Hospitals in the North Country Health Service Area

The following table indicates the total inpatient and outpatient medical and surgical procedures performed by the hospitals serving the North Country Health Services Area in the 12-month period ending June 2006:

All Procedures in the North Country Health Services Area for the 12-month Period Ending June 2006:	In¹	Out²
Miscellaneous diagnostic and therapeutic procedures	10,940	2,003
Obstetrical procedures	5,831	17
Operations on the cardiovascular system	872	409
Operations on the digestive system	1,645	2,914
Operations on the ear	16	498
Operations on the endocrine system	13	8
Operations on the eye	5	2,379
Operations on the female genital organs	834	1,432
Operations on the hemic and lymphatic system	51	100
Operations on the male genital organs	1,102	129
Operations on the musculoskeletal system	993	2,582
Operations on the nervous system	341	556
Operations on the nose; mouth; and throat	66	1,396
Operations on the respiratory system	474	135
Operations on the skin	280	789
Operations on the urinary system	846	272
¹ In-patient procedures		
² Ambulatory surgery		
Source: NYS DOH http://hospitals.nyhealth.gov		

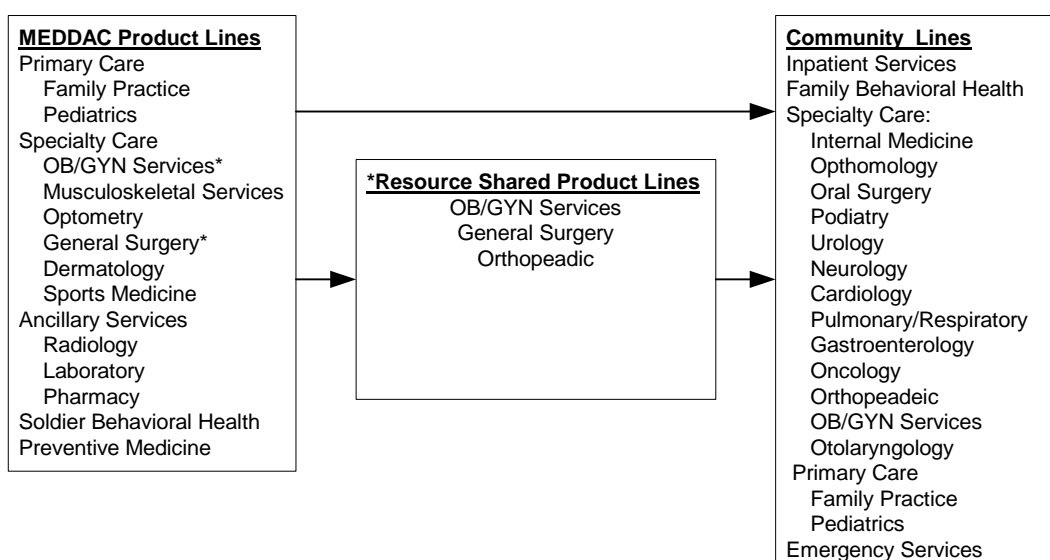
f. Fort Drum Medical Activity

The Fort Drum health care delivery system evolved from the philosophy of community integrated services for Fort Drum and the families of Fort Drum soldiers that began in the 1980s with the reactivation of the 10th Mountain Division. Fort Drum's model as it stands today provides the highest percentage of purchased in-patient care within its Health Service Area (HSA) among comparison bases (92%). The model uses a mix of Medical Activity (MEDDAC) provided product lines, community provided product lines and resource-shared lines bringing maximum benefit to the service members, their families and the civilian population in the surrounding community.

The staff at Fort Drum is extensively involved in detailed planning with community resources to ensure effective healthcare delivery in the Fort Drum/Watertown market. The Fort Drum clinic does not have inpatient capability and relies on two private sector community hospitals to provide the bulk of inpatient care needed by DoD beneficiaries.

The recent decision to permanently base the third brigade at Fort Drum created an approximately 59% increase in the soldiers and families at and around Fort Drum between FY04 and FY07. MEDDAC currently provides primary care, limited specialty care, ancillary services, soldier behavioral health and preventive medicine service on base. These lines provide referral to community based services and specialty care not provided on base including all in-patient services. Currently MEDDAC obstetricians and general surgeons have privileges in two local hospitals to provide surgery and obstetric/gynecological care in the community hospitals for Fort Drum soldiers and their families.

The figure below identifies the product lines being provided to DoD beneficiaries in the North Country Service Area by MEDDAC and community resources.



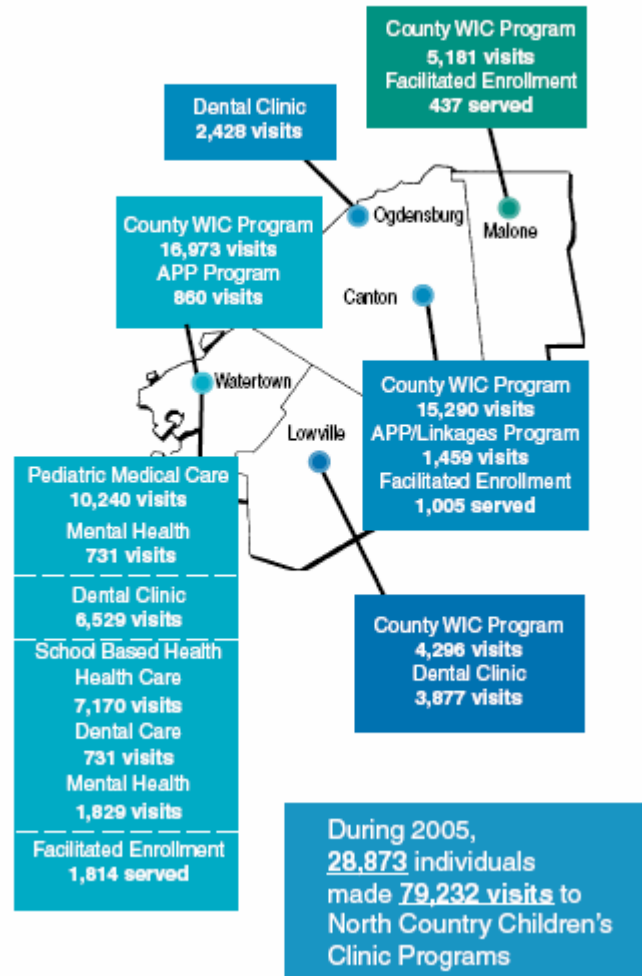
g. The North Country Children's Clinic

North Country Children's Clinic (NCCC) was founded in 1971, by a group of volunteers led by Dick Charles and Dr. George Sturtz, to fill a void in pediatric health care for children without regular access to health care. The first Well Child Clinic was held on October 12, 1971 at the North Side Improvement League, a donated site in Watertown. In January 1973, the Children's Clinic was incorporated as a private not-for-profit organization. The agency is a 501(c)(3) and registered as a charity in New York State. The Children's Clinic is licensed by the New York State Department of Health as a free-standing diagnostic and treatment center.

The NCCC provides child healthcare to residents of Jefferson, Lewis, St. Lawrence, and Franklin Counties in the areas of dental health, mental health, school-based health, WIC/Teen pregnancy, pediatric medical care, and family health insurance. In 2005, 28,873 individuals made 79,232 visits to NCCC's programs. Also in 2005, NCCC: provided nutritious foods to 16,022 individuals; promoted breastfeeding, good nutrition and physical activity; WIC checks worth more than \$5.2 million were redeemed at local grocery stores; and 49% of those served in Jefferson County were military families.

A diagram of the NCCC's regional impact in the North Country is provided below:

**The Children's Clinic's
IMPACT on the North Country**



URBAN FACILITIES (in Syracuse and Utica)

Brief descriptions of the following NCTP Participants are included below:

- a. St. Joseph's Hospital
- b. Mohawk Valley Heart Institute / St. Elizabeth's Medical Center
- c. SUNY Upstate Medical University
- d. Crouse Hospital

a. St. Joseph's Hospital

St. Joseph's Hospital Health Center is a 431-bed comprehensive medical care institution dedicated to providing quality health care to the residents of 16 counties in Central New York. St. Joseph's and its ambulatory programs, mental health services, home care, and Franciscan Health Support are accredited by The Joint Commission.

In addition to providing general medical and surgical care, St. Joseph's offers several specialty services, including hemodialysis, maternity and pediatric services, a separate birth center, emergency care, intensive care, wound care, dental services, suicide prevention and certified home health care. St. Joseph's operates several satellite facilities, including two ambulatory surgery centers, family and maternal child/clinics, a dental clinic, psychiatric services center, The Wellness Place, Regional Dialysis Center, neighborhood dialysis centers and a cardiopulmonary rehabilitation center.

Inpatient visits average 23,000 annually. Outpatient visits number 400,000 a year. The Hospital's busy emergency department records more than 52,000 visits a year. St. Joseph's annual operating budget is \$311 million.

The Hospital's medical staff of more than 800 is comprised of physicians and dentists representing a broad spectrum of specialties. Almost 3,300 other health care professionals and support personnel are employed by St. Joseph's. More than 1,000 devoted volunteers and members of the hospital's auxiliary help support patient care programs.

The health care institution has been designated by New York State as a:

- Special Care Neonatal Unit
- Apnea Center
- Cardiac Diagnostic Center
- Cardiac Surgical Center
- Community Mental Health Center

St. Joseph's is designated a Magnet hospital for nursing excellence by the American Nurses Credentialing Center, the highest honor bestowed on a hospital for nursing care.

b. Mohawk Valley Heart Institute / St. Elizabeth's Medical Center

St. Elizabeth operates a 201-bed acute care regional hospital, located in Utica, Oneida County, serving the people of Oneida, Herkimer, Madison, Otsego and Lewis counties. The 25-acre Medical Center campus includes the Area Trauma Center, Mohawk Valley Heart Institute, Mohawk Valley Sleep Disorders Center, Marian Medical Professional Building, Marian Medical Imaging Center, and four schools: the College of Nursing, the School of Radiography, the Family Medicine Residency Program, and the GYN Surgical Fellowship.

The Mohawk Valley Heart Institute is a cooperative venture of Faxton-St. Luke's Healthcare and St. Elizabeth Medical Center. The Institute was created in 1997 to address the community need for advanced cardiac care. By providing cardiac surgery and angioplasty programs, patients could receive comprehensive cardiac care and stay close to home. As of June 2006, the Institute has performed more than 3,000 cardiac surgeries, 6,500 coronary angioplasties and 20,000 cardiac catheterizations. For nearly seven years, The Mohawk Valley Heart Institute has provided a unique cardiac program, raising the level of care for the Central New York/Mohawk Valley community.

Integrating a full range of cardiac services under one umbrella, the Mohawk Valley Heart Institute is a "hospital without walls" operating on three hospital campuses. Cardiac surgery, coronary angioplasty and electrophysiology are performed at St. Elizabeth. Cardiac catheterizations take place at both St. Elizabeth and Faxton-St. Luke's (St. Luke's campus), and outpatient and inpatient cardiac rehabilitation are provided at Faxton-St. Luke's (Faxton campus).

In 2003, Health Grades Report Cards gave the Heart Institute at St. Elizabeth a five-star rating, ranking it in the top 5 percent nationally in cardiology and angioplasty, and in the top 10 percent against 5,000 hospitals nationally for overall cardiac care.

The St. Elizabeth's Medical Center also operates a network of 16 primary and rehabilitative care sites in Oneida and Herkimer counties, making healthcare more accessible in the following communities: Barneveld, Mohawk, Little Falls, Waterville, Clinton, New Hartford, Sauquoit, South Utica, Central Utica, East Utica and North Utica. In addition, St. Elizabeth Home Care serves patients in their homes.

c. SUNY Upstate Medical University

While not located in the North Country Health Services Area, SUNY Upstate is geographically located within 1 to 1.5 hours ground travel and 30 minutes by air (helicopter) in Syracuse, N.Y. and plays a key role in complex cases. University hospital is the Regional Trauma Center, AIDS Center, Burn Center, Regional Poison Control Center, and Stroke Center. University Hospital has the highest enrolled inpatient distribution of Fort Drum beneficiaries outside of the North Country HSA. Admissions to University Hospital are for a variety of specialty care. University Hospital is particularly recognized by Fort Drum beneficiaries for pediatric subspecialties.

SUNY Upstate Medical University—one of Central New York largest employers—educates more than 1,200 students in four colleges - Medicine, Graduate Studies, Health Professions and

Nursing - as well as more than 450 graduate physicians in residency and fellowship training programs. The Center's clinical science faculty attend to 140,000 patients each year at University Hospital and thousands more in outpatient clinical facilities. In both the basic and the clinical sciences, there is participation in more than 400 funded research projects.

Upstate Medical University's Binghamton clinical campus is a community-based branch campus for clinical medical education. It was developed to provide an innovative medical education program emphasizing the national and state initiatives to train greater numbers of generalist physicians with an emphasis on primary health care, as well as preventive medicine and health maintenance.

SUNY Upstate is part of the State University of New York is the largest comprehensive university system in the United States, educating more than 414,000 students in 7,669 degree and certificate programs on 64 campuses.

d. Crouse Hospital

Crouse Hospital is a 501 c-3 not-for-profit organization located at 736 Irving Avenue in Syracuse, New York, in Onondaga County. Crouse serves a 15-county area of Central New York and operates 576 acute-care beds, which include 51 neonatal intensive care beds (bassinets). The hospital operates one of the longest-running and largest ambulatory surgery programs in the United States, with two surgery centers located near the main hospital complex.

Under the auspices of the hospital's Emergency Services, Crouse also operates PromptCare, a walk-in center for the treatment of minor illnesses and injuries directly across the street from the main hospital. The hospital also maintains a site in the Town of Liverpool in the northern suburbs, which provides physical therapy/rehabilitation services. In late 2005, the hospital opened Crouse East in the Town of DeWitt, which provides physical therapy and medical imaging services to residents on the east side of the county.

Crouse Hospital is accredited by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) and is a member of VHA Inc., the American Hospital Association, Healthcare Association of New York State, Iroquois Healthcare Alliance, Greater New York Hospital Association and the Manufacturer's Association of Central New York, among others.

- 2005 Discharges: 21,900
- Outpatient Visits: 277,000
- Emergency Services Visits: 54,000
- Average Overall Length of Stay: 4.78 days
- 15-County Service Area: Onondaga, Broome, Cayuga, Chenango, Cortland, Herkimer, Jefferson, Lewis, Madison, Oneida, Oswego, Otsego, St. Lawrence, Tioga and Tompkins counties.

Appendix C: Letters of Support

Attached are letters of support from the following:

Federal and State Legislators:

United States Senator Charles Schumer

United States Congressman John McHugh

New York Senator Joseph Griffo

New York Senator James Wright

New York Assemblywoman Dede Scozzafava

**note that Senator Hillary Rodham Clinton will send a letter of support under separate cover*

Facilities and Clinics:

Fort Drum Medical Activity

North Country Children's Clinic

Canton-Potsdam Hospital

Public Health:

Jefferson County Public Health

St. Lawrence County Public Health

Others:

Development Authority of the North Country (DANC)

New York State Education and Research Network (NYSERNet)

Healthcare Association of New York State (HANYS)

New York State Office of Rural Health

Jefferson Physician's Organization

CHARLES E. SCHUMER
NEW YORK

COMMITTEES:
BANKING
JUDICIARY
RULES
FINANCE

United States Senate

WASHINGTON, DC 20510

April 17, 2007

Kevin J. Martin
Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Dear Chairman Martin:

I am pleased to write in support of the application submitted by the Fort Drum Regional Health Planning Organization for funding under the *Rural Health Care Pilot Program*. Such funding will enable the Fort Drum Regional Health Planning Organization to build a broadband fiber-optic network to link a group of twenty one health facilities operating in Jefferson, Lewis, and St. Lawrence Counties in New York State.

Formed in 2005, the Fort Drum Regional Health Planning Organization (FDRHPO) is a nonprofit corporation working to plan and evaluate quality health care services to meet the needs of the military by enhancing the response to the military community while building a strong health care system for the North Country region of New York State. With no hospital of its own, Fort Drum relies on these regional health care connections as key service providers for its enlisted men and women and their families. The FDRHPO seeks to foster communication and cooperation among these area health facilities, to ensure that both military personnel and civilians living in the North Country region receive the best possible care and services available. Currently, the North Country population does not have adequate access to healthcare, hampered by the rural nature of the region as well as a high percentage of low-income residents. There is also a marked shortage of physicians in this region, according to the Federal Health Professional Shortage Database. In fact, in 2005, more than 2100 patient cases were transferred to facilities in Syracuse and Utica from the North Country, both of which are over sixty miles away.

With funding, the FDRHPO will tap into the Development Authority of the North Country (DANC)'s four hundred and fifty mile fiber-optic cable network in order to provide enhanced communications and better service delivery among twenty one health facilities across the North Country region of New York State. To carry out this important project, Fort Drum United States Army Medical Department Activity will partner with five participating hospitals: Samaritan Medical Center of Watertown, Carthage Area Hospital, E.J. Noble Hospital of Gouverneur, Lewis County General Hospital in Lowville, and River Hospital of Alexandria Bay. The increased communications abilities presented by this network would reduce hospital stays and the cost of medical care, increase physician recruitment and retention, improve patient care and overall health, facilitate the transmission of emergency medical records among physicians and health care facilities, and most importantly, stabilize the local health care system in the North Country. Healthcare need and healthcare access are major issues for this region, and I

North Country Telemedicine Project: Grant Application

applaud the Fort Drum Regional Health Planning Organization and its partners for their foresight and hope the application for funding meets with your approval.

Thank you for your consideration. For additional information, please do not hesitate to contact me or my Grants Director, Elizabeth Bailey, in my Washington office at 202.224.6542.

Sincerely,


Charles E. Schumer
United States Senator

North Country Telemedicine Project: Grant Application

JOHN M. McHUGH
23rd DISTRICT, NEW YORK

COMMITTEE ON ARMED SERVICES
SUBCOMMITTEE ON MILITARY PERSONNEL
RANKING MEMBER

SUBCOMMITTEE ON READINESS

**COMMITTEE ON OVERSIGHT
AND GOVERNMENT REFORM**
SUBCOMMITTEE ON FEDERAL WORKFORCE,
POSTAL SERVICE, AND THE DISTRICT OF COLUMBIA
SUBCOMMITTEE ON NATIONAL SECURITY
AND FOREIGN AFFAIRS

**PERMANENT SELECT COMMITTEE ON
INTELLIGENCE**
SUBCOMMITTEE ON TERRORISM, HUMAN
INTELLIGENCE, ANALYSIS, AND COUNTERINTELLIGENCE
SUBCOMMITTEE ON
OVERSIGHT AND INVESTIGATIONS

Honorable Kevin Martin
Chairman
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554



Congress of the United States
House of Representatives
2366 Rayburn House Office Building
Washington, DC 20515-3223

(202) 225-4611

<http://mchugh.house.gov>

April 27, 2007

DISTRICT OFFICES

HSBC BANK BUILDING
120 WASHINGTON STREET, SUITE 200
WATERTOWN, NY 13601-2576
(315) 782-3150

104 FEDERAL BUILDING
PLATTSBURGH, NY 12901-2936
(518) 563-1406

28 NORTH SCHOOL STREET
P.O. BOX 800
MAYFIELD, NY 12117-0800
(518) 661-6486

205 SOUTH PETERSBORO STREET
CANASTOTA, NY 13032-1312
(315) 697-2063

Dear Chairman Martin:

I am writing in strong support of the application submitted by the Fort Drum Regional Health Planning Organization (FDRHPO) requesting funding under the Rural Health Care Pilot Program. This will lead to the interconnection of multiple facilities in Northern New York, increasing access to specialty care for patients of Fort Drum and surrounding hospitals.

As one of the very few military installations without its own hospital, Fort Drum relies on the local health care system for the medical needs of its soldiers and their families. This unique health care dynamic led to the facilitation of FDRHPO, a not-for-profit corporation which plans and evaluates quality health care services to meet military needs. FDRHPO seeks to enhance the response to the military community while building a strong North Country health care system.

Currently, access to care is hampered by the rural nature and low income for much of the population of the North Country. Further, local hospitals face significant provider shortages in key specialty areas. Because of these shortages, many patients are transferred to facilities in Syracuse and Utica, both of which are sixty miles away. Indeed, in 2005, over 2100 patient cases were transferred to such facilities. Transporting patients to these areas creates an undue burden on patients who have limited access to transportation and may not be able to afford the care that is rendered.

After careful and creative planning, FDRHPO has developed a comprehensive proposal to address this health care challenge; the North Country Telemedicine Project (NCTP). By developing a telecommunications network and telemedicine services, NCTP will connect 28 health facilities operating in Jefferson, Lewis and St. Lawrence Counties of New York. Transfer of technology between and among these facilities will allow for expanded education access, faster adoption of new practices, and improved capacity to recruit and retain providers. The real-time access to remote resources will improve the patient care offered in these rural communities. As estimates for the network indicate a population of more than 250,000 people, the potential is vast.

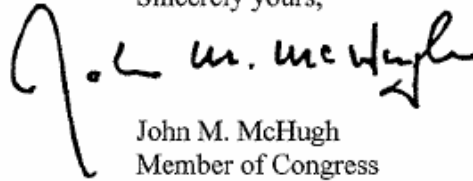
Page 2

I commend FDRHPO for such an innovative approach to address the unique health care challenges faced by these rural communities and hope they can acquire the funding necessary for their project.

Thank you for your consideration. Should you have any questions, feel free to contact Robert Taub in my Washington office at (202) 225-4611.

With best wishes, I am

Sincerely yours,

A handwritten signature in black ink, appearing to read "J. M. McHugh". The signature is fluid and cursive, with a large initial "J" and "M".

John M. McHugh
Member of Congress

JMM/jes

North Country Telemedicine Project: Grant Application

CHAIRMAN

ELECTIONS COMMITTEE

COMMITTEE ASSIGNMENTS

BANKS
CONSUMER PROTECTION
ENVIRONMENTAL CONSERVATION
ENERGY & TELECOMMUNICATIONS
HIGHER EDUCATION
RACING, GAMING & WAGERING
VETS. HOMELAND SECURITY &
MILITARY AFFAIRS

THE SENATE STATE OF NEW YORK



JOSEPH A. GRIFFO
Senator, 47th District

ALBANY OFFICE:

ROOM 944
LEGISLATIVE OFFICE BUILDING
ALBANY, NEW YORK 12247
(518) 455-3334
FAX: (518) 426-6921

UTICA OFFICE:

207 GENESEE STREET
UTICA, NEW YORK 13501
(315) 793-9072
FAX: (315) 793-0298

MASSENA OFFICE #:

(315) 769-7932

LOWVILLE OFFICE #:

(315) 376-3325

EMAIL ADDRESS:

griffo@senate.state.ny.us

April 24, 2007

Kevin J. Martin, Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Dear Chairman Martin:

I am writing to extend my support for the FCC Telemedicine Pilot Program application being submitted by the Fort Drum Regional Health Planning Organization.

Fort Drum and its surrounding community hospitals are proposing to develop a telecommunications network to increase access and connect 28 health facilities operating in Jefferson, Lewis, and St. Lawrence Counties of New York.

The Fort Drum Regional Health Planning Organization (FDRHPO) is the nexus of this project. Begun in 2005, the FDRHPO is a not-for-profit corporation aiming to plan and evaluate quality health care services to meet the military needs by enhancing the response to the military community while building a strong North Country health care system. As one of very few military installations without its own hospital, Fort Drum relies on the local health care system for the medical needs of its soldiers and their families.

Estimates for the network indicate a population of more than 250,000 people. Access to care is hampered by rurality and low income for much of the population. According to the Federal Health Professional Shortage Database, the majority of the area covered by this project faces either a shortage in physicians, or a low income population that lacks access to primary care. Though a rural area, Jefferson County had the highest rate of growth of any county in New York between 1980 and 1990, primarily because of the development of Fort Drum.

Thus, healthcare need, and healthcare access are major issues for this region. Oftentimes, patients from this area are transported to facilities in Syracuse and Utica, both of which are over 60 miles away. In 2005, more than 2100 patient cases went to these hospitals from the North Country.

The FCC grant will allow for the development of network at very low cost to the hospitals. The Development Authority of the North Country will build the network, using the

North Country Telemedicine Project: Grant Application

foundation of its Open Access Telecommunications Network that it developed in the last few years.

When completed, the network funded by the FCC grant will provide higher telecom capability at lower cost than what hospitals currently operate. With this higher capacity for data exchange and telemedicine consultation, they will retain cases locally that otherwise might have been transferred. In addition to the direct financial benefit, telemedicine offers numerous intangible benefits to hospitals in the North Country, including:

- 1 Stabilize the local system
- 2 Reduce unnecessary costs
- 3 Improve patient care and respond to community need
- 4 Increase MD satisfaction and retention
- 5 Increase ability to recruit primary care physicians
- 6 Increase patient satisfaction and overall health
- 7 Increase health information transfer as part of overall plan for data exchange

An important element of this project will be connection to NYSERNet, the New York State Education and Research Network that connects to Internet2. Connecting the hospitals to NYSERNet will allow them to link into university-based research, continuing medical education, and other educational opportunities. The transfer of technology between and among these facilities will allow for expanded education access, faster adoption of new practices, improved capacity to recruit and retain providers. The real-time access to remote resources will also improve the patient care offered in these rural communities.

I urge the FCC to fund this project because of the important care it will provide to our service personnel and the surrounding communities in the North Country. If I can be of further assistance, please do not hesitate to call me.

Sincerely,



Senator Joseph A. Griffo

North Country Telemedicine Project: Grant Application

CHAIRMAN
COMMITTEE ON ENERGY &
TELECOMMUNICATIONS

COMMITTEE MEMBER
COMMERCE, ECONOMIC DEVELOPMENT
& SMALL BUSINESS
CRIME VICTIMS, CRIME & CORRECTION
FINANCE
HOUSING, CONSTRUCTION &
COMMUNITY DEVELOPMENT
LABOR
TOURISM, RECREATION &
SPORTS DEVELOPMENT
VETERANS, HOMELAND SECURITY
& MILITARY AFFAIRS

THE SENATE STATE OF NEW YORK



JAMES W. WRIGHT
SENATOR, 48TH DISTRICT
DEPUTY MAJORITY LEADER FOR POLICY

April 24, 2007

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FAX (518) 455-2365
1-800-406-6469

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WATERTOWN, NY 13601
(315) 785-2430
FAX (315) 785-2498

INTERNET ADDRESS:
WRIGHT@SENATE.STATE.NY.US

Mr. Kevin J. Martin, Chairman
Federal Communications Commission
445 12th Street, SW
Washington DC 20554

Re- FCC Pilot Program for Enhanced Access to Advanced Telecommunications and Information Services

Dear Chairman Martin,

I am writing in support for the Fort Drum Regional Health Planning Organization's (FDRHPO) application for funding through the FCC Telemedicine Pilot Program. Fort Drum and its surrounding community hospitals are proposing to develop a telecommunications network to increase access and connect 28 health facilities operating in Jefferson, Lewis and St. Lawrence Counties of New York.

The Fort Drum Regional Health Planning Organization (FDRHPO) is the nexus of this project. Begun in 2005, the FDRHPO is a not-for-profit corporation aiming to plan and evaluate quality health care services to meet the military needs in the area by enhancing the response to the military community while building a strong North Country health care system. As one of very few military installations in the country without its own hospital, Fort Drum relies on the local health care system for the medical needs of its soldiers and their families.

Estimates for the network indicate a population of more than 250,000 people. Access to care in the tri-county area is hampered by rurality; low income for much of the population; and a shortage of physicians, all of which inhibit access to primary care. Though a rural area, Jefferson County had the highest rate of growth of any county in New York between 1980 and 1990, primarily because of the development of Fort Drum. Health care access is a major issue for this tri-county region. In fact, in 2005, more than 2100 patient cases from the North Country were referred to hospitals in Syracuse and Utica, which are 60+ miles away.

When completed, this telemedicine network will allow for data exchange, consultation, the retention of local cases, and access to higher education resources. Furthermore, the network will

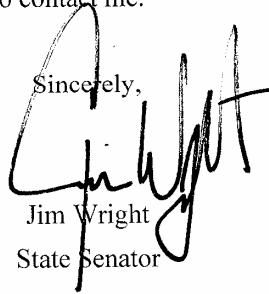


North Country Telemedicine Project: Grant Application

encourage the retention and recruitment of physicians. Most importantly, health care access, patient care, and patient satisfaction will improve.

As such, I urge the FCC to fund this important initiative. The development of this network will provide important care to both our growing military population and residents of the surrounding communities in the North Country. If I can be of further assistance in regard to this recommendation, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jim Wright', is written over the printed name and title.

Jim Wright
State Senator

JWW/jcr

North Country Telemedicine Project: Grant Application



DIERDRE K. SCOZZAFAVA
Assemblywoman 122nd District

THE ASSEMBLY STATE OF NEW YORK ALBANY

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LEGISLATIVE

April 25, 2007

APR 25 2007

LEGISLATIVE AUTHORITY OF THE
STATE OF NEW YORK

Mr. Kevin J. Martin, Chairman
Federal Communications Commission
445 12th Street SW
Washington DC 20554

Dear Mr. Martin:

It has come to my attention that the **Fort Drum Regional Health Planning Organization (FDRHPO)** is applying for funds from the *FCC Telemedicine Pilot Program*. Please be assured of my full support for their efforts in this endeavor.

The **FDRHPO**, which got its start in 2005, is a not-for-profit corporation aimed at planning and evaluating quality health care services to meet the needs of the military. These needs will be met by enhancing the response to the military community and, simultaneously, building a strong North County health care system. Fort Drum is one of a very few military installations without its own hospital and, therefore, relies on the local health care system for the medical needs of its soldiers and their families.

The region encompassing Fort Drum is rural and populated by high numbers of low income residents, many that lack access to primary care. Additionally, the area faces a shortage of physicians, and patients frequently are transported to healthcare facilities in Syracuse and Utica, a distance of sixty miles or more for these individuals. It is apparent that healthcare needs and healthcare access are major issues for the region. The development of a network that will provide higher telecom capability at a lower cost is essential for the North Country. It will help to stabilize the local system; reduce unnecessary costs; improve patient care; increase Medical Doctor satisfaction, retention, and recruitment; and increase health information transfer as part of the overall plan for data exchange. A grant from the *FCC Telemedicine Pilot Program* would be of great benefit to countless people and an enormous boost to the healthcare community.

In closing, I reiterate my support of the application of the FDRHPO for funds from the FCC Telemedicine Pilot Program. If I may be of further assistance in this process please do not hesitate to call upon me.

Sincerely,

A handwritten signature in dark ink, appearing to read "Dede".

Dede Scozzafava
Member of Assembly
122nd Assembly District

DKS/dbb

ALBANY OFFICE: Room 329, Legislative Office Building, Albany, New York 12248 • telephone (518) 455-5797, FAX (518) 455-5289
DISTRICT OFFICE: 93 East Main Street, Gouverneur, New York 13642 • telephone (315) 287-2384, FAX (315) 287-2895
E-mail: scozzad@assembly.state.ny.us

North Country Telemedicine Project: Grant Application



DEPARTMENT OF THE ARMY
U. S. ARMY MEDICAL DEPARTMENT ACTIVITY
FORT DRUM, NEW YORK 13602-5004

April 27, 2007

Office of the Commander

Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Dear Gentlemen:

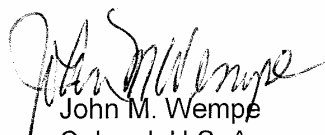
This letter concerns the application for the Federal Communications Telemedicine Pilot Program being submitted by the Fort Drum Regional Health Planning Organization. This project is being undertaken to improve the electronic connectivity of healthcare facilities throughout the geographical area.

It is our organization's mission to "deliver responsive, quality healthcare to the 10th Mountain Division and the Fort Drum community ensuring compassionate healthcare, staff development, and medical readiness."

Although we are a Medical Department Activity supporting an Army division, we have no inpatient capabilities on Fort Drum. Instead, local civilian hospital facilities support most of our inpatient needs. During fiscal year 2006 we made 21,383 referrals to the local provider network for our 40,200 beneficiaries and had 1,470 inpatient admissions to North Country hospitals.

Currently, there is no electronic connectivity between North Country healthcare facilities. It is the goal of this program is to put a system in place that will successfully accomplish this task.

Sincerely,


John M. Wempe
Colonel, U.S. Army
Commanding Officer



Office of the President and CEO
50 Leroy Street
Potsdam, NY 13676
315-265-3300
www.cphospital.org

May 3, 2007

Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: FCC Pilot Program for Enhanced Access to Advanced Telecommunications and Information Services

To Whom It May Concern:

I am writing to extend my support for the FCC Telemedicine Pilot Program application being submitted by the Fort Drum Regional Health Planning Organization.

Fort Drum and its surrounding community hospitals are proposing to develop a telecommunications network to increase access and connect 28 health facilities operating in Jefferson, Lewis, and St. Lawrence Counties of New York.

The Fort Drum Regional Health Planning Organization (FDRHPO) is the nexus of this project. Begun in 2005, the FDRHPO is a not-for-profit corporation aiming to plan and evaluate quality health care services to meet the military needs by enhancing the response to the military community while building a strong North Country health care system. As one of very few military installations without its own hospital, Fort Drum relies on the local health care system for the medical needs of its soldiers and their families.

Estimates for the network indicate a population of more than 250,000 people. Access to care is hampered by rurality and low income for much of the population. Further, the hospitals face significant provider shortages in key specialty areas, including dermatology and psychiatry.

According to the Federal Health Professional Shortage Database, the majority of the area covered by this project faces either a shortage in physicians, or a low income population that lacks access to primary care. Though a rural area, Jefferson County had the highest rate of growth of any county in New York between 1980 and 1990, primarily because of the development of Fort Drum.

B R E A K T H R O U G H S E V E R Y D A Y .

Median per capita income in the service area is well below the state median. According to the Central New York Health Systems Agency, nearly fifty percent of the population is considered to be high poverty. As of 2004, 54% of Jefferson County was covered by either Medicaid or Medicare. Further, the population has a heavy concentration of persons over 65, thus the number of discharges per 1000 population is higher than the national average.

Thus, healthcare need, and healthcare access are major issues for this region. Oftentimes, patients from this area are transported to facilities in Syracuse and Utica, both of which are over 60 miles away. In 2005, more than 2100 patient cases went to these hospitals from the North Country.

Transporting patients to Syracuse and Utica creates an undue burden on patients who have limited access to transportation and may not be able to afford the care that is rendered. The high number of transfers also increases pressure on the already overburdened urban facilities in Syracuse and Utica. As a result, services may be more expensive but delivered in a fragmented and inefficient way. Further, patient care outcomes may be sub-optimized because of variation and/or lack of follow-up.

North Country hospitals have wanted to implement telemedicine, but could not afford the significant up-front cost to build the necessary telecommunications network. With the addition of Fort Drum personnel, that need is significantly increased.

The FCC grant will allow for the development of network at very low cost to the hospitals. The Development Authority of the North Country will build the network, using the foundation of its Open Access Telecommunications Network that it developed in the last few years.

When completed, the network funded by the FCC grant will provides higher telecom capability at lower cost than what hospitals currently operate. With this higher capacity for data exchange and telemedicine consultation, they will retain cases locally that otherwise might have been transferred. In addition to the direct financial benefit, telemedicine offers numerous intangible benefits to hospitals in the North Country, including:

- Stabilize the local system
- Reduce unnecessary costs
- Improve patient care and respond to community need
- Increase MD satisfaction and retention
- Increase ability to recruit primary care physicians
- Increase patient satisfaction and overall health
- Increase health information transfer as part of overall plan for data exchange

North Country Telemedicine Project: Grant Application

An important element of this project will be connection to NYSERNet, the New York State Education and Research Network that connects to Internet2. Connecting the hospitals to NYSERNet will allow them to link into university-based research, continuing medical education, and other educational opportunities. The transfer of technology between and among these facilities will allow for expanded education access, faster adoption of new practices, improved capacity to recruit and retain providers. The real-time access to remote resources will also improve the patient care offered in these rural communities.

I urge the FCC to fund this project because of the important care it will provide to our service personnel and the surrounding communities in the North Country. If I can be of further assistance, please do not hesitate to call me at 315-261-6001.

Sincerely,



Marlinda L. LaValley
Interim Chief Executive Officer
Canton-Potsdam Hospital

The Children's Clinic

North Country Children's Clinic, Inc.

238 Arsenal Street, Watertown, New York 13601 315-782-9450 (fax) 315-782-2643
www.childrens-clinic.org

April 30, 2007

Kevin J. Martin, Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: FCC Pilot Program for Enhanced Access to Advanced Telecommunications and Information Services

Dear Chairman Martin:

I am writing to extend my support for the FCC Telemedicine Pilot Program application being submitted by the Fort Drum Regional Health Planning Organization.

Fort Drum and its surrounding community hospitals are proposing to develop a telecommunications network to increase access and connect 28 health facilities operating in Jefferson, Lewis, and St. Lawrence Counties of New York.

The Fort Drum Regional Health Planning Organization (FDRHPO) is the nexus of this project. Begun in 2005, the FDRHPO is a not-for-profit corporation aiming to plan and evaluate quality health care services to meet the military needs by enhancing the response to the military community while building a strong North Country health care system. As one of very few military installations without its own hospital, Fort Drum relies on the local health care system for the medical needs of its soldiers and their families.

Estimates for the network indicate a population of more than 250,000 people. Access to care is hampered by a rural geography, a harsh winter climate and low income. According to the Federal Health Professional Shortage Database, the majority of the area covered by this project faces either a shortage in physicians or a low-income population that lacks access to primary care. Though a rural area, Jefferson County had the highest rate of growth of any county in New York between 1980 and 1990, primarily because of the development of Fort Drum.

Thus, healthcare need, and healthcare access are major issues for this region. Oftentimes, patients from this area are transported to facilities in Syracuse and Utica, both of which are over

FCC Grant Support Letter, continued

Page 2

60 miles away. In 2005, more than 2100 patient cases went to these hospitals from the North Country.

The FCC grant will allow for the development of network at very low cost to the hospitals. The Development Authority of the North Country will build the network, using the foundation of its Open Access Telecommunications Network that it developed in the last few years.

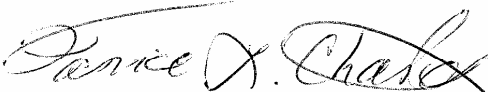
When completed, the network funded by the FCC grant will provide higher telecom capability at lower cost than what hospitals currently operate. With this higher capacity for data exchange and telemedicine consultation, they will retain cases locally that otherwise might have been transferred. In addition to the direct financial benefit, telemedicine offers numerous intangible benefits to hospitals in the North Country, including:

- Stabilize the local system
- Reduce unnecessary costs
- Improve patient care and respond to community need
- Increase MD satisfaction and retention
- Increase ability to recruit primary care physicians
- Increase patient satisfaction and overall health
- Increase health information transfer as part of overall plan for data exchange

An important element of this project will be connection to NYSERNet, the New York State Education and Research Network that connects to Internet2. Connecting the hospitals to NYSERNet will allow them to link into university-based research, continuing medical education, and other educational opportunities. The transfer of technology between and among these facilities will allow for expanded education access, faster adoption of new practices, improved capacity to recruit and retain providers. The real-time access to remote resources will also improve the patient care offered in these rural communities.

I urge the FCC to fund this project because of the important care it will provide to our service personnel and the surrounding communities in the North Country. If I can be of further assistance, please do not hesitate to call me.

Sincerely,



Janice L. Charles
Executive Director



**Jefferson County
PUBLIC HEALTH SERVICE**

Public Health Facility, 531 Meade Street, Watertown, New York 13601

April 28, 2007

Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

To Whom It May Concern:

This letter signifies that the Jefferson County Public Health Service (JCPHS) is strongly committed to public health system advancement projects such as the Federal Communications Commission (FCC) Pilot Program for Enhanced Access to Advanced Telecommunications and Information Services grant sought by the Fort Drum Regional Health Planning Organization (FDRHPO). JCPHS participates with and often leads collaborative community health initiatives. Support for the FDRHPO and other partners to enhance telecommunication capacities, improve access and quality of care, and to cultivate local and regional partnerships fits well within the framework of past and current JCPHS interests.

Access to needed health care services is of critical importance to North Country residents. A profile of the region demonstrates a concentration of individuals over age 65, high numbers of hospital discharges per 1,000 population which is greater than the national average, high rates of unemployment and poverty, median incomes well below the state median, significant numbers of medically under and underinsured individuals, winter weather conditions that pose a significant barrier to individuals and families seeking medical care, and a shortage of physicians throughout the region. Conversely, primarily due to the expansion of Fort Drum, Jefferson County is the fastest growing county in New York State. Improved telecommunication capacities will greatly help alleviate the challenges presented in this profile, as well as impact steeply increasing health care costs and shortfalls in health care quality.

Fort Drum and its surrounding community hospitals are proposing to develop a telecommunications network to increase access and connect 28 health care facilities, including JCPHS, operating across Jefferson, Lewis, and St. Lawrence Counties and reaching a total population of over 250,000 people. Establishment of the network would greatly alleviate transport to out-of-region facilities greater than 60 miles away, primarily in Syracuse and Utica. Strain on patients and families would greatly diminish and cost and care inefficiencies would become eradicated with improved technological capacities. With the Fort Drum expansion, a need for greater telemedicine capacities has significantly increased.

The FDRHPO and JCPHS equally recognize that the development of partnerships to improve community health and achieve positive outcomes serves to strengthen agency and public cooperation in perpetuating effective rural health and human service continuums. The leadership of the FDRHPO in promoting quality health services and community partnerships to achieve outcomes reliant on technology improvements make this application a strong contender for FCC award.

JCPHS applauds FDRHPO's initiative, and will be an active partner to improve the public's health. The FDRHPO's creative efforts to initiate investment in the region has been most welcomed, and will continue to expand development opportunities through its many linkages and demonstrated commitment to region-wide health improvement. Should you have any questions regarding JCPHS's support of this endeavor, please do not hesitate to make contact at (315) 786-3710. Thank you.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jean A. Bilow".

Jean A. Bilow
Director of Public Health
SAJ:FCC.ltr:4:27:07. MS M:/

A handwritten signature in dark ink, appearing to read "Stephen A. Jennings".

Stephen A. Jennings
Public Health Planner



St. Lawrence County
Public Health Department

*80 State Highway 310, Suite 2
Canton, New York 13617-1476
Phone: (315) 386-2325
FAX: (315) 386-2203*

April 26, 2007

Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

RE: FCC Pilot Program for Enhanced Access to Advance Telecommunications and Information Services

To Whom It May Concern:

I am writing to extend my support for the FCC Telemedicine Pilot Program application being submitted by the Fort Drum Regional Health Planning Organization.

Fort Drum, its surrounding community hospitals, public health departments and home care agencies are proposing to develop a telecommunications network to increase access and connect 28 health facilities operating in Jefferson, Lewis, and St. Lawrence Counties of New York State.

The Fort Drum Regional Health Planning Organization (FDRHOP) is the nexus of this project. Begun in 2005, the FDRHOP is a not-for-profit corporation aiming to plan and evaluate quality health care services to meet the military needs by enhancing the response to the military community while building a strong North Country health care system. As one of very few military installations without its own hospital, Fort Drum relies on the local health care system for the medical needs of its soldiers and their families.

Estimates for the network indicate a population of more than 250,000 people. Access to care is hampered by rurality and low income for much of the population. Further, the hospitals face significant provider shortages in key specialty areas, including dermatology and psychiatry. According to the Federal Health Professional Shortage

Database, the majority of the area covered by this project faces either a shortage in physicians, or a low income population that lacks access to primary care. St. Lawrence County is particularly hampered by its rural nature combined with the fact that it is New York State's largest county, the fifth largest county east of the Mississippi, significantly bigger than the State of Delaware.

Median per capita income in the service area is well below the state median. As of 2003, over fifteen percent of the population of St. Lawrence County was below the poverty line and as of March 2007, 15.7 percent of the population was on Medicaid.

Thus, healthcare need, and healthcare access are major issues for this region. Oftentimes, patients from St. Lawrence County are transported to facilities in Syracuse and Burlington, VT., both of which are over 125 miles away.

Transporting patients to Syracuse and Burlington creates an undue burden on patients who have limited access to transportation and may not be able to afford the care that is rendered. The high number of transfers also increases pressure on the already overburdened urban facilities in Syracuse and Burlington. As a result, services may be more expensive but delivered in a fragmented and inefficient way. Further, patient care outcomes may be sub-optimized because of variation and/or lack of follow-up.

North Country hospitals, public health departments and home care agencies have wanted to implement telemedicine, but could not afford the significant up-front cost to build the necessary telecommunications network. With the addition of Fort Drum personnel, that need is significantly increased.

The FCC grant will allow for the development of network at very low cost to the hospitals. The Development Authority of the North Country will build the network, using the foundation of its Open Access Telecommunications Network that it developed in the last few years.

When completed, the network funded by the FCC grant will provide higher telecom capability at lower cost than what health providers currently operate. With this higher capacity for data exchange and telemedicine consultation, they will retain cases locally that otherwise might have been transferred. In addition to the direct financial benefit, telemedicine offers numerous intangible benefits to health providers in the North Country, including:

- Stabilize the local system
- Reduce Unnecessary costs
- Improve patient care and respond to community need
- Increase MD satisfaction and retention
- Increase ability to recruit primary care physicians
- Increase patient satisfaction and overall health
- Increase health information transfer as part of overall plan for data exchange

An important element of this project will be connection to NYSERNet, the New York State Education and Research Network that connects to Internet2. Connecting the health providers to NYSERNet will allow them to link into university-based research, continuing medical education, and other education opportunities. The transfer of technology between and among these facilities will allow for expanded education access, faster adoption of new practices, improved capacity to recruit and retain providers. The real time access to remote resources will also improve the patient care offered in these rural communities.

I urge the FCC to fund this project because of the important care it will provide to our service personnel and the surrounding communities in the North Country. If I can be of further assistance, please do not hesitate to call me.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. Serafin". The signature is fluid and cursive, with a large initial "W" and "S".

William J. Serafin, LCSW
Public Health Director

WJS: sac



May 3, 2007

Mr. Kevin J. Martin
Chairman
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Dear Chairman Martin:

I am writing to express my support for the Fort Drum Regional Health Planning Organization's application for funding from the Rural Healthcare Pilot Program.

The Fort Drum Regional Health Planning Organization was created to support the healthcare needs of the Northern New York State region that includes the U.S. Army 10th Mountain Division at Fort Drum. Fort Drum is the only major Army base in the country that relies on community hospitals and clinics to provide the majority of care for soldiers and their dependents. Fort Drum's population is expanding, and so is the demand for access to quality healthcare throughout the region.

The Development Authority of the North Country provides community development and infrastructure services in communities throughout Northern New York, including telecommunications services. The Development Authority owns and operates the Open Access Telecommunications Network of Northern New York. We provide wholesale transport circuits to public and private service providers. We operate under a tariff approved by the NYS Public Service Commission and are designated an Eligible Telecommunications Carrier.

The Fort Drum Regional Health Planning Organization telemedicine project will link Fort Drum, the community hospitals and clinics, and tertiary care providers in a network that will provide better access to a higher level of care to all members of our community.

WATER AND SEWER FACILITIES
Warneck Pump Station
23557 NYS Route 37
Watertown, New York 13601
Telephone (315) 782-8661
Telefax (315) 786-2971
Emergency Telephone (315) 786-4000

DEVELOPMENT AUTHORITY
OF THE NORTH COUNTRY
Dulles State Office Building
317 Washington Street, Suite 414
Watertown, New York 13601
Telephone (315) 785-2593
Telefax (315) 785-2591
TDD (800) 662-1220
www.danc.org

OPEN ACCESS TELECOM NETWORK
Dulles State Office Building
317 Washington Street, Suite 406
Watertown, New York 13601
Telephone (315) 785-2593
Telefax (315) 785-2591
Emergency Telephone (866) 669-3262

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North Country Telemedicine Project: Grant Application

Mr. Kevin Martin
May 3, 2007
Page 2

Given the importance of this project to our region, the Development Authority will commit the 15% match required for construction of the network, and cover the cost of financing during the construction period.

The Development Authority of the North Country looks forward to supporting our community hospitals, clinics, and Fort Drum in this exciting telemedicine project, and we look forward to your support of the Fort Drum Regional Health Planning Organization application.

Very truly yours,

A handwritten signature in dark ink, appearing to read "R. S. Juravich", written in a cursive style.

Robert S. Juravich
Executive Director

RSJ:TRS/mkc



www.nysernet.org

385 Jordan Road, Troy, NY 12180
(518) 283-3584 fax (518) 283-3588

100 Elwood Davis Road, Syracuse, NY 13212
(315) 413-0345 fax (315) 413-0346

May 3, 2007

Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: FCC Pilot Program for Enhanced Access to Advanced Telecommunications and Information Services

Dear Chairman Martin and Commissioners Copps, Adelstein, Tate, and McDowell:

I write in strong support of the FCC Telemedicine Pilot Program application being submitted by the Fort Drum Regional Health Planning Organization (FDRHPO).

Fort Drum and its surrounding community hospitals are proposing to develop a telecommunications network to increase access and connect 28 health facilities operating in Jefferson, Lewis, and St. Lawrence Counties of New York with a single connection to the NYSENet Network with egress to both Internet2 and National Lambda Rail.

The community in the area served by FDRHPO is generally aging and low income with limited resources. Health care beyond basic care is seldom available forcing virtually the entire community to travel some distance when more advance care is needed. Through the proposed network, the community will receive such benefits as improved quality of care through network enabled closer interaction with primary health care facilities connected to the NYSENet and, through our international peering point in Manhattan, to the world. Members of the community welcome this increased ability to attract and retain leading clinicians, researchers, students and faculty.

For its part, NYSENet will provide egress to Internet2 through its Sponsored Education Group Participant (SEGP) program. Through this program, NYSENet pays an annual fee to Internet2 so that organizations such as FDRHPO can pass data to enable research initiatives and provide educational opportunities without the additional financial burden of membership fees and port fees in support of Internet2's national IP R&E Network. This program will save a minimum of \$47,000 per year in connection costs for FDRHPO.

I was a member of the small group present when FCC Commissioner Copps experienced a haptic feedback capability for medical on advanced networks at the Internet2 offices in Washington. The FCC's visionary program converts that small demonstration into a benefit for the nation. I am happy to support this project because of the important care it will provide the members of our armed forces and those living in the surrounding communities in the North Country. If I can be of further assistance, please do not hesitate to call me.

Sincerely,

A handwritten signature in blue ink that reads "Timothy L. Lance".

Timothy L. Lance
President and Chair



Healthcare Association
of New York State

*Proud to serve New York State's
Not-For-Profit Hospitals, Health Systems,
and Continuing Care Providers*

Daniel Sisto, President

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May 1, 2007

Kevin J. Martin
Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

**Re: FFC Pilot Program for Enhanced Access to Advanced Telecommunications
and Information Services**

Dear Mr. Martin:

On behalf of the Healthcare Association of New York State (HANYS), I am writing to extend my support for the Federal Communications Commission (FCC) Telemedicine Pilot Program application being submitted by the Fort Drum Regional Health Planning Organization.

Fort Drum and its surrounding community hospitals are proposing to develop a telecommunications network to increase access and connect 28 health facilities operating in Jefferson, Lewis, and St. Lawrence Counties in northern New York. HANYS represents over 550 not-for-profit and public hospitals, health care systems, nursing homes, and home care agencies throughout New York State. We see this project as a creative and worthy addition to the health care infrastructure in an area that includes many isolated communities that have limited access to health care providers and few resources with which to address the current shortages.

As one of very few military installations without its own hospital, Fort Drum relies on the local health care system for the medical needs of its soldiers and their families. The Fort Drum Regional Health Planning Organization (FDRHPO) is the nexus of this project. Begun in 2005, FDRHPO is a not-for-profit corporation aiming to plan and evaluate quality health care services to meet the military needs and contribute toward creating a stronger health care system in the region.

Access to care is hampered not only by geographic barriers in this mountainous region, but also by significant provider shortages in key specialty areas, including dermatology and psychiatry, a disproportionate share of elderly in the communities surrounding the base, poverty, and lack of health insurance.

MAIN HEADQUARTERS: One Empire Drive / Rensselaer, New York 12144 / (518) 431-7600 / fax (518) 431-7915 / www.hanys.org
WASHINGTON, D.C. OFFICE: 499 South Capitol Street SW, Suite 405 / Washington, D.C. 20003 / (202) 488-1272 / fax (202) 488-1274

Federal Communications Commission
May 1, 2007

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Currently, patients requiring services not available in this region are transported to facilities in Syracuse and Utica, both over 60 miles away. In 2005, more than 2,100 patient cases went to these hospitals from the North Country, according to the grant application.

When completed, the network funded by the FCC grant would provide higher telecom capability at lower cost than what hospitals currently operate. With this higher capacity for data exchange and telemedicine consultation, the hospitals would be able to treat patients closer to their homes and ease the disruption to their families.

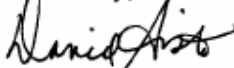
In addition to the direct financial benefit, telemedicine offers numerous intangible benefits to hospitals in the North Country, including:

- Stabilize the local system;
- Reduce unnecessary costs;
- Improve patient care and respond to community need;
- Increase MD satisfaction and retention;
- Increase ability to recruit primary care physicians;
- Increase patient satisfaction and overall health; and
- Increase health information transfer as part of the overall plan for data exchange.

An important element of this project will be connection to the New York State Education and Research Network (NYSERNet) that connects to Internet2. Connecting the hospitals to NYSERNet will allow them to link into university-based research, continuing medical education, and other educational opportunities. The transfer of technology between and among these facilities will allow for expanded education access, faster adoption of new practices, and improved capacity to recruit and retain providers. The real-time access to remote resources will also improve the patient care offered in these rural communities.

I urge FCC to fund this project because of the important care it will provide to our service personnel and the surrounding communities in the North Country. If I can be of further assistance, please do not hesitate to call me.

Sincerely,



Daniel Sisto
President

DS:kr



Corning Tower The Governor Nelson A. Rockefeller Empire State Plaza Albany, New York 12237

Richard F. Daines, M.D.
Commissioner

May 1, 2007

Kevin Martin, Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554
Re: FCC Pilot Program for Enhanced Access to advanced Telecommunications and Information Services

Dear Chairman Martin:

I am writing to support the FCC Telemedicine Pilot Program application being submitted by the Fort Drum Regional Health Planning Organization (FDRHPO).

Fort Drum and its surrounding community hospitals are proposing to develop a telecommunications network to increase access and connect 28 health facilities operating in Jefferson, Lewis and St. Lawrence counties of New York.

Fort Drum is one of few military installations without its own hospital and relies on the local health care system for medical needs of its soldiers and their families. FDRPHO was founded in 2005 as a not-for-profit organization to meet the needs of the military community while building a strong health care system for its service population of 250,000.

Shortages of physicians and other health professionals and a low income rural population result in inadequate access to both primary care and certain specialty services.

The FCC grant will allow higher telecom capability at a lower cost and provide for data exchange and telemedicine consultation to improve quality of patient care and respond to community needs.

We look forward to working with FDRHPO as they implement their project and will offer assistance and guidance as appropriate and necessary.

Sincerely,



Karen A. Madden
Director
Charles D. Cook Office of Rural Health

**JEFFERSON
PHYSICIAN
ORGANIZATION, LLC**

ADMINISTRATIVE OFFICE

531 Washington St - Suite 3607

Watertown, NY 13601-4037

Telephone: 315/788-8169

Fax: 315/788-6323

May 4, 2007

Honorable Kevin Martin, Chairman
Federal Communications Commission
445 12th Street, S. W.
Washington, D.C. 20554

Dear Chairman Martin:

The Jefferson Physician Organization, LLC (JPO) supports the approval of the Fort Drum Regional Health Planning Organization's (FDRHPO) request for grant funding from the Federal Communications Commission under the Rural Health Care Pilot Program. The successful award of this grant to the FDRHPO would provide the funds needed to build and expand the current technological infrastructure and to allow the further development and access to telemedicine programs in our rural area where access to certain specialties is limited or lacking altogether.

The Jefferson Physician Organization represents 182 physicians and medical care providers in Jefferson County. As the major providers of health care in the area, we are very concerned about issues affecting our ability to provide efficient, quality health care in our communities.

A major factor in being able to continue providing efficient, quality health care is for healthcare providers to be able to update technology and systems. The JPO member providers serve high poverty and rurally isolated communities in Jefferson County. Jefferson County is also home to the 10th Mountain Division of the U. S. Army, and the local civilian healthcare providers supplement the healthcare needs of the military community with services provided under a very limited reimbursement model. It is difficult to find needed financial resources to upgrade technological and medical information management systems.

Our organization feels the proposed improvements in the technological infrastructure in our Jefferson County communities will help the residents and patients in our communities. The awarding of this grant to the FDRHPO will provide the infrastructure required to advance telemedicine programs needed in our area as well as allow access to valuable medical research information and provide better communication with tertiary facilities. It will also promote programs intrinsic to enhancing the continued improvement in the quality of care and cost

Honorable Kevin Martin, Chairman
Federal Communications Commission

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effectiveness for patients, payers and providers. Such programs include electronic connectivity between providers to share medical information, electronic orders, electronic reports, and e-prescribing. All programs designed to improve the quality of patient care and to reduce the cost of providing that care.

Thank you for your consideration in awarding this grant to the Fort Drum Regional Health Planning Organization.

Sincerely,



Lewis D. Yecies, M.D., Chairman
Jefferson Physician Organization, LLC

:LMC

CC: JPO, LLC Management Committee